

**The General Terms and Conditions of SAB Finance a.s. for Entrepreneurs
(Legal Entities and Natural Persons Conducting Business)**

I. General provisions

- These General Terms and Conditions of SAB Finance a.s. (hereinafter the “**GTC**”) with registered office at Na Příkopě 969/33, Staré Město, 110 00 Prague 1, ID No. 24717444, entered in the Commercial Register lodged with the Municipal Court in Prague, Section B, File No. 16383 (hereinafter “**SABF**”), issued in accordance with the provisions of Section 1751 et seq. of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter the “**Civil Code**”), define the basic terms under which SABF provides its Clients - entrepreneurs (legal entities and natural persons conducting business) with Payment Services consisting in the execution of Transactions (as defined below).
- SABF provides the Client with Payment Services not individually specified on the basis of the Framework Agreement on Payment Services entered into between SABF and the Client (hereinafter the “**Framework Agreement**”), and on the basis of the GTC that form an inseparable part of the Framework Agreement as Annex No. 5. Unless indicated otherwise by the Framework Agreement, the provisions of the Framework Agreement take priority over GTC.
- Information about SABF as the Payment Services provider: SABF (identification details above), e-mail: obchod@sab.cz, website: <http://www.sab.cz>.
- SABF is licensed as a payment institution pursuant to Act No. 370/2017 Coll., Act on Payment Transactions, as amended (hereinafter the “**APT**”), licence granted by CNB on 26 April 2011, Ref. No. 2011/4463/570, extended to include additional payment services on the basis of a CNB decision issued on 12 November 2012, Ref. No. 2012/10922/570 (CNB Licence). SABF is authorised to provide payment services pursuant to the provisions of Section 3 (1) c), e) and f) of the APT (Payment Services).
- The Client agrees to be informed of any significant change in important information or other important changes particularly via the SABF website, unless the Framework Agreement and/or GTC specify otherwise. The Client declares that they have access to the internet service, use that service regularly, and have the option to read the information on the SABF website before a Payment Service is provided by SABF. If a significant change in important information has an impact on these GTC and requires that they be amended, the Client will be informed of the change to the GTC in accordance with Art. XIV (2) of these GTC.
- The Client and SABF have agreed that e-mail correspondence will be used as the general form of communication and the usual means of exchanging information in connection with the Framework Agreement, unless the Framework Agreement and/or GTC specify otherwise. E-mail correspondence will be sent by SABF to the e-mail address provided by the Client. The Client consents to allow SABF to send e-mails and letters with commercial communications associated with the services offered by SABF and the offer of services of companies belonging to the SAB group. This consent is voluntary and may be withdrawn by the Client at any time.

II. Terms and definitions

- Current Coverage** – the value corresponding to the difference between the Total Collateral and the potential loss.
- Current Operating Hours** – individual moments of time stated on the Website in the document “*Cut-off times of SAB Finance a.s.*”, where if a Client’s Payment Order is to be settled on the agreed Date of Settlement it is essential for the Client to comply with the Conditions for executing the Transaction no later than by the end of the given SABF cut-off time (stated for a given transaction type in the above document) on the agreed Date of Settlement of the specific Payment Order. In such case SABF guarantees settlement of the Client’s Payment Order received (in accordance with Article VIII) on the agreed Date of Settlement of the Payment Order, i.e. the sending of the funds from the SABF account to the bank account of the recipient. If the relevant cut-off time is not met, the Payment Order will be settled once the Conditions for executing the Transaction are met in the standard deadlines stated in Article XII of these GTC.
- Current Market Value of the Open Forward Transaction** – is calculated as the value of the Open Forward Transaction at the time of negotiating the Non-Cash Foreign Currency Forward Transactions with a foreign currency revalued at the current interbank market exchange rate valid on the agreed Date of Settlement of the relevant Open Forward Transaction.
- American Entity** – 1) an individual who is a citizen of the United States of America (hereinafter the “**USA**”) and/or is a USA resident. USA resident is defined in the USA tax regulations as a person who holds a green card and/or passes the substantial presence test in the USA, i.e. is physically present in the USA for at least 31 days during the current year and 183 days during the last 3 years, counted as the current year and the two previous years; 2) a legal entity based in the USA; 3) another individual or legal entity that is classed as being associated with the USA in accordance with the relevant legislation.
- Non-Cash Foreign Currency Transactions (spots)** – purchase or sale of funds either in Czech or a foreign currency in return for funds in a different currency, provided that such funds are received from the Client or made available to the Client by a cashless transfer, wherein these Client funds are not transferred to a third party (Payment) but only used for currency exchange and the transfer of such converted funds at the request of the Client to the Client’s bank account stated in the Framework Agreement or an amendment thereof (or determined in accordance with the Framework Agreement); such transactions are realized by a cashless transfer of the funds according to the transaction conditions agreed with the Client and on the basis of the Client’s instruction under the agreed terms of transaction.
- Non-Cash Foreign Currency Forward Transactions (forward contracts)** – purchase or sale of funds either in Czech or a foreign currency in return for funds in a different currency with a deferred payment due date, provided that such funds are received from the Client or made available to the Client by a cashless transfer, wherein these Client funds are not transferred to a third party (Payment) but only used for currency exchange and the transfer of such converted funds at the request of the Client to the Client’s bank account stated in the Framework Agreement or an amendment thereof (or determined in accordance with the Framework Agreement); such transactions are realized by a cashless transfer of the funds according to the transaction conditions agreed with the Client and on the basis of the Client’s instruction under the agreed terms of transaction as a special payment instrument. Non-Cash Foreign Currency Forward Transactions are arranged solely as a means of payment as defined in Article 10 (1) (b) of the Regulation, i.e. they are arranged only in order to facilitate payments for identifiable goods, services or direct investment.
- Bloomberg Fixings** – benchmarks published within Bloomberg FX Fixings (BFIX), which include spot and forward rates for currency and commodity trading. The ~~determination of the specific Bloomberg fixing time is agreed with a SABF employee when concluding the Transaction. If BFIX data is not available, data published by another information agency (e.g., Reuters) will be used as closing values used for calculations for the SAB TARG product is available on the Website in the section For Clients/Downloads/Forwards (Pro Klienty/Dokumenty ke stažení/Forwardy).~~
- Total Collateral** – the Client’s total Collateral provided by the Client in accordance with these GTC; it is calculated as the sum of all funds transferred by the Client to a special account as Collateral (Initial Collateral and all possible Supplementary Collaterals) in favour of SABF. The Total Collateral is calculated in CZK, values in foreign currencies are converted into CZK at the current market exchange rate of the interbank market. Where the Contractual Documentation refers to Collateral, it shall also mean, depending on the context, the Total Collateral.
- Services Price List** – list of prices of SABF Payment Services, available on the Website, which forms an integral part of the Framework Agreement.
- Target Profit** – the amount set by the Client when arranging the SAB TARG product and upon reaching which the SAB TARG product is terminated. The Target Profit is accumulated progressively by comparing the agreed exchange rate to the Spot on each agreed Expiry Date and, in the event that the Spot on the Expiry Date is less favourable to the Client than the agreed exchange rate, the difference between these rates is counted towards to the Target Profit. In the event that the Spot on the Expiry Date is equal to or more favourable to the Client than the negotiated rate, there is no accumulation of amounts to the Target Profit. For the avoidance of doubt, it is understood that in the case of a BID Transaction, the rate with the higher value is deemed to be more favourable and in the case of an ASK Transaction, the rate with the lower value is deemed to be more favourable. Upon reaching the Target Profit amount on any Expiry Date, the agreed exchange rate for that Date of Settlement will be adjusted so that the total accrued profit exactly matches the agreed Target Profit amount.
- CNB** – the Czech National Bank, with its seat at Na Příkopě 28, 115 03 Prague 1, which is the competent supervisory authority over payment services provided by SABF.
- Available Currency** – the currency entrusted by the Client to SABF for the purpose of executing its Payment Order.
- Expiry Date** – the agreed date within the SAB TARG product linked to the Bloomberg Fixings on which exchange rate differences are calculated for the purposes of accumulating the amount credited to the Target Profit.
- Early Settlement Date** – the earliest date on which the Client may request early settlement of a Non-Cash Foreign Currency Forward Transaction if such date is agreed for a particular Non-Cash Foreign Currency Forward Transaction.
- Latest Settlement Date for Modification SAB Forward+** – the date by which, at the latest, the agreed ~~SAB Forward~~ **Modification+** must be duly settled by the Client to the extent of the entire agreed Forward Frame and its purpose must be duly evidenced.
- Date of Settlement** – the date agreed between SABF and the Client for mutual delivery of funds as part of a given Transaction. Delivery by the Client means the crediting of the relevant amount of funds, including any relevant fees to the SABF Special Account provided to the Client for this purpose, and delivery on the part of SABF is the debiting of the relevant amount of funds pursuant to the Client’s Payment Order. In the case of Non-Cash Foreign Currency Forward Transactions, if a Time Limit for Early Settlement has been agreed, the new Date of Settlement selected by the Client as part of this Time Limit for Early Settlement shall also meet this definition, whereas this new Date of Settlement takes precedence over the Date of Settlement stated in the Payment Order. In the documents provided to the Client by SABF, the Date of Settlement may be also designated as the payment due date meaning the Date of Settlement.
- Certificate of Identification of Goods, Services, or Direct Investment** – an annex to the Confirmation that includes the identification of the goods, service or investment at least in terms of the type of the goods, service or direct investment, expected amount of payment and purpose of the transaction, in relation to which security concerning the payment amount is reached as part of the Non-Cash Foreign Currency Forward Transaction.
- Certificate of Required Collateral** – an annex to the Confirmation containing arrangements of required Collateral.
- Certificate of Settlement of Transaction** – confirmation of settlement of the Payment Transaction or Non-Cash Foreign Currency Transaction sent to the Client in accordance with Article X (1) of the GTC.
- Supplementary Collateral** – Collateral that the Client is obliged to provide to SABF in addition to the Initial Collateral under the conditions specified in Article VI (21 or 22) of the GTC. It has the nature of Collateral and is part of the Total Collateral.

- Delivery of Payment Order** – the moment of binding agreement to conditions of a Transaction in the manner and with the particulars set out in Article VIII (1) to (3) of the GTC, or other particulars prescribed by the relevant Contractual Documentation governing individual SABF products in the GTC not explicitly addressed (depending on the type of Transaction).
- Forward Frame** – the total amount of funds exchanged and transferred under the ~~Modification SAB Forward+~~ **Forward+** that is agreed between the Client and SABF in a particular currency for each ~~Modification SAB Forward+~~ **Forward+**.
- Margin Call Threshold Coverage** – the Percentage Coverage for the Calculation of Collateral amounts to less than 25% of the Initial Collateral Rate (e.g., at the Initial Collateral Rate of 5%, the Margin Call Threshold Coverage will occur at a value below 1.25%).
- Margin Cut Threshold Coverage** – the Percentage Coverage for the Calculation of Collateral amounts to less than 10% of the Initial Collateral Rate (e.g. at the Initial Collateral Rate of 5%, the Margin Cut Limit Coverage will occur at a value below 0.5%).
- Margin Payback Threshold Coverage** – the Percentage Coverage for the calculation of Margin Payback amounts to more than 50% of the Initial Collateral Rate (e.g., at the Initial Collateral Rate of 5% the Margin Payback Threshold Coverage will occur at a value above 2.5%).
- Protected Information** – all know-how, information and data (regardless of form) received by one Contracting Party from the other Contracting Party in connection with the Framework Agreement or negotiations for the conclusion of the Framework Agreement, if:
 - they are explicitly designated by one of the Contracting Parties as “confidential”, “protected”, “discreet”, “secret” or other term with a similar meaning;
 - they are not publicly available;
 - they relate to one or both of the Contracting Parties (particularly their activities, structure, financial results, know-how, operational methods, procedures and workflows, business or marketing plans, concepts and strategies, offers, contracts, agreements and other arrangements with third parties, relations with business partners;
 - they relate to the Framework Agreement or its fulfilment (particularly information on the content of the Framework Agreement and its annexes and possible amendments, the rights and obligations of the Contracting Parties, and information on prices);
 - one of the Contracting Parties considers it necessary to protect them against unauthorised persons or against abuse by the other Contracting Party; or
 - their handling is subject to a special confidentiality regime (particularly banking secrets, official secrets).
- Direct Debit** – non-cash transfer involving the receipt of funds via the SABF Special Account, at the request of the Client as the payment recipient, if the payer is a third party; this is made via a Direct Debit Payment Order (“Direct Debit Notification” form).
- Website** – the website of SABF www.sab.cz.
- Client** – a natural person engaged in business (self-employed) - entrepreneur or a legal entity that has entered into a ~~Framework~~ **Framework** Agreement with SABF for the provision of Payment Services.
- Confirmation** – certificate on the conclusion of Transaction on the SABF’s form entitled *Confirmation of foreign exchange trade, Confirmation of foreign forward exchange trade, Confirmation of receipt of Payment Order*.
- Time Limit for Early Settlement** – the deadline optionally agreed as part of a specific Non-Cash Foreign Currency Forward Transaction beginning on the Early Settlement Date and ending on the Date of Settlement within which the Client can request early settlement.
- Margin Payback** – return of the Collateral (its part) to the Client under the conditions specified in Article VI (22.6) of the GTC.
- Currency Conversion** – the currency exchange for a Payment Transaction; in the event that the Available Currency and Sent Currency differ, SABF will make the Currency Conversion according to the exchange rate agreed between the Client and SABF when negotiating the terms of the transaction.
- Modification+** – a category of a Non-Cash Foreign Currency Forward Transaction (forward contract), for which no fixed Date of Settlement is set in advance at the time of its conclusion and for which the ~~Early and Latest Settlement Date and Forward Frame must be agreed and during the term of which the Client is entitled to choose the Date of Settlement (one or more) for its settlement (or settlement of its part), by notifying SABF by email or telephone at least 3 business days prior to each such scheduled Date of Settlement.~~ **Modification+**
- Regulation** – Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive.
- Transaction** – Payment Transaction with or without Currency Conversion or Non-Cash Foreign Currency Transaction or Non-Cash Foreign Currency Forward Transaction.
- ASK Transaction** – Transaction for the purpose of selling funds in Czech or foreign currency for funds in another currency with deferred maturity.
- BID Transaction** – Transaction for the purpose of purchasing funds in Czech or foreign currency for funds in another currency with deferred maturity.
- Trade Secret** – all information of a commercial or technical nature relating to the business of either of the Contracting Parties which has real or at least potential, material or non-material value, is not generally available in the relevant business circles, and is kept confidential by that Contracting Party in the corresponding manner.
- Sent Currency** – the currency sent by SABF at the Client’s order to the payment recipient’s account.
- Senior Managing Official** – any natural person who is responsible for the day-to-day or regular management of the activities of the legal person, such as business management, and in doing so is (1) a member of the legal person’s statutory body or a person in a similar position or represents a legal person in that body, or (2) directly subordinate to the legal person’s statutory body or a member thereof.
- Open Forward Transaction** – duly agreed and not yet settled Non-Cash Foreign Currency Forward Transaction between the Client and SABF.
- Payment Order** – instruction issued by the Client/other User to carry out a Transaction containing all required particulars for arranging the individual type of Transaction ~~prescribed for the given type of Transaction, i.e. Payment Order for Payment, Direct Debit Payment Order (Direct Debit Notification), Non-Cash Foreign Currency Transaction Payment Order, or Non-Cash Foreign Currency Forward Transaction Payment Order; Payment Orders issued by the Client can be delivered to SABF in any of the forms specified in the Framework Agreement or in Art. VIII (1.1) to (1.4) of these GTC or their combinations, or with regard to the established business practice of the parties some of its requisites may be implicitly agreed and/or determined by reference to the document that SABF receives from the Client in connection with the relevant Payment Order and from which it is possible to unambiguously determine such requisites (e.g. the beneficiary’s account number stated on the invoice delivered to SABF by the Client, on the basis of which the Payment Order is to be executed according to the Client’s instruction).~~ **Payment Order**
- Payment Services** – payment services pursuant to Section 3 (1) c), e) and f) of APT, which SABF is licensed to provide under the CNB Licence.
- Non-Cash Foreign Currency Transaction Payment Order** – a Payment Order with the particulars specified in Article V (2) of the GTC.
- Non-Cash Foreign Currency Forward Transaction Payment Order** – a Payment Order with the particulars according to Article VI (5) and VIII (2) points 2.1 to 2.2 of the GTC.
- Payment Order for Payment** – a Payment Order with the particulars stated in Article VII (1) 1.1.1 of the GTC.
- Payment Order for Direct Debit (Direct Debit Notification)** – a payment order with the particulars stated in Article VII (2) 1.2.1 of the GTC.
- Payment Transaction** – Payment or Direct Debit.
- Initial Collateral** – Collateral (i) that is agreed with the Client when concluding the relevant Non-Cash Foreign Currency Forward Transaction, or (ii) in the event that it has not been agreed pursuant to clause (i) above, which is agreed with the Client or which the Client is obliged to provide at the request of the SABF under the conditions set out in Article VI (21) and/or (22) also during the term of the relevant Non-Cash Foreign Currency Forward Transaction. It has the nature of Collateral and is part of the Total Collateral.
- Conditions for Executing a Transaction** – the following conditions, which must be met on a cumulative basis in order to execute (settle) a Transaction: (i) Delivery of a Payment Order, (ii) sufficient balance of Client’s funds on the Date of Settlement during Current Operating Hours, (iii) the Date of Settlement has occurred (if agreed), (iv) proper presentation of all required documents by the Client; fulfilment of any additional applicable conditions specified in the relevant Contractual Documentation.
- Subaccount** – registration payment account held by SABF for the Client which is automatically set up upon execution of the Framework Agreement, which is used to record the Client’s funds entrusted to SABF for the purpose of executing Transactions. Subaccounts may be held in the currencies specified in the List of Available Currencies.
- Politically Exposed Person** –
 - an individual who holds or has held a prominent office of national or regional importance, particularly as head of state, Prime Minister, head or deputy head of a central government body (Deputy, State Secretary), member of parliament, member of the control body of a political party, head of local government, judge at the Supreme Court, Constitutional Court or other supreme judicial body against whose decisions no appeal may be filed, with certain exceptions, a member of the board of the Central Bank, a senior army or corps officer, a member or representative of a member, if a legal entity, of the statutory body of a state-controlled business corporation, an ambassador or head of a diplomatic mission, or an individual who holds or has held a similar office in another country, in a European Union body or in an international organisation,
 - an individual who is 1) a person close to one of the persons specified in a), 2) a partner or the beneficial owner of the same legal entity, or a trust fund, as a person under letter a), or a person in any other close business relationship with a person under letter a), or 3) the beneficial owner of a legal entity, or a trust fund, created for the benefit of a person under letter a). (A close person is a direct relative, sibling or spouse or partner pursuant to the law governing partnerships, in-laws and persons living together permanently, as well as other persons in a familial or similar relationship where, if one person were to suffer detriment, the other would justifiably feel that detriment as their own.)
- Last Supplementary Collateral** – the last Supplementary Collateral provided by the Client to SABF on the basis of a call for the provision of Supplementary Collateral in accordance with Article VI (21) or (22) of the GTC.
- Potential Profit from the Open Forward Transaction** – is calculated as the difference between the value of the Open Forward Transaction at the time the transaction is concluded and the Current Market Value of the Open Forward Transaction. The potential profit can have a positive or negative value, depending on the fluctuation of the exchange rate; it is calculated in CZK, values in foreign currencies are converted into CZK at the current market exchange rate of the interbank market.
- CNB Licence** – a licence for the activities of a payment institution under the APT granted to SABF by decision of the CNB dated 26 April 2011, ref. no. 2011/4463/570, extended to include additional payment services on the basis of a CNB decision issued on 12 November 2012, Ref. No. 2012/10922/570.

- **Operating hours** – the time when the SABF telephone line is operational for receiving Client calls as well as the Operating Location, i.e. from 8:00 a.m. to 4:30 p.m. During this time the Client may arrange Transactions in the manner stated in Article VIII (1) of the GTC.
- **Percentage Coverage for the Calculation of Collateral** – percentage coverage of the Open Forward Transaction, which is calculated as a ratio between the sum of Total Collateral and Potential Profit from the respective Open Forward Transaction and the value of Open Forward Transaction at the time of its conclusion in CZK; it serves as a determinant of the decisive moment when the Client's obligation to provide Collateral arises.
- **Percentage Coverage for the calculation of Margin Payback** – percentage coverage of the Open Forward Transaction, which is calculated as a ratio between the sum of the Current Coverage and Potential Profit from the respective Open Forward Transaction and the value of the Open Forward Transaction at the time of its conclusion in CZK; it serves as a determinant of the decisive moment for the Margin Payback.
- **Operating Location** – the SABF facility located at Kvítková 4352, 760 01 Zlín.
- **Framework Agreement** – the Framework Agreement on Payment Services entered into between SABF and the Client, its amendments and annexes.
- **Claims Policy** – the SABF Claims Policy published on the Website. The Claims Policy may be amended by SABF to a reasonable extent. SABF is entitled to propose a change in the Claims Policy to the Client particularly for the reasons specified in Art. XIV (2.1) of these GTC. Any change in the Claims Policy is made following the procedure and by the deadlines specified in Art. XIV (2) of these GTC.
- **SAB Forward+ PARTICIPATING FORWARD** – a category of a Non-Cash Foreign Currency Forward Transaction (forward contract), for which partial Expiry Dates, Dates of Settlement and exchange rate are agreed upon. On each Date of Settlement, the Client is obliged to settle the partial transaction at the agreed exchange rate and in the agreed volume, which depends on the spot exchange rate on the Expiry Date of the partial transaction. The volume of the transaction to be settled is determined by the arranged leverage, no fixed Date of Settlement is set in advance at the time of its conclusion and for which the Latest Settlement Date for SAB Forward+ and Forward Frame must be agreed and during the term of which the Client is entitled to choose the Date of Settlement (one or more) for its settlement (or settlement of its part) by notifying SABF by email or telephone at least 3 business days prior to each such scheduled Date of Settlement.
- **SAB RATIO FORWARD** – a category of a Non-Cash Foreign Currency Forward Transaction (forward contract), for which partial Expiry Dates, Dates of Settlement and exchange rate are agreed upon. The Client is obliged to settle each partial transaction on each Date of Settlement at the agreed exchange rate and in the agreed volume. SAB RATIO FORWARD is always agreed with leverage, which affects the agreed volume according to the exchange rate on the Expiry date.
- **SAB RISK REVERSAL** – a category of a Non-Cash Foreign Currency Forward Transaction (forward contract), for which partial Expiry Dates, Dates of Settlement and lower and upper exchange rates are agreed upon. On each Date of Settlement, the Client is obliged to settle the partial transaction at the agreed exchange rate and in the agreed volume according to the exchange rate on the Expiry Date, at the lower exchange rate, the upper exchange rate, or the spot exchange rate, if this is within the band between the lower and upper exchange rates on the Expiry Date.
- **SAB TARF** – a category of a Non-Cash Foreign Currency Forward Transaction (forward contract), for which partial Expiry Dates, Dates of Settlement and Target Profit are agreed upon. After the Target Profit is reached, the SAB TARF product is settled (terminated) and the Client is no longer hedged for the next period (subsequent Dates of Settlement). On each agreed Date of Settlement, the Client is obliged to settle the partial transaction at the agreed exchange rate in the agreed amount.
- **Initial Collateral Rate** – a percentage (%) rate agreed for the relevant Non-Cash Foreign Currency Forward Transaction between the Client and SABF at the time of its conclusion, or determined by the SABF during its term, as stated in the Certificate of Required Collateral, or, as the case may be, in the notice to the Client.
- **List of Available Currencies** – as of the effective date of these GTC: CZK, EUR, USD, PLN, GBP, CHF, HUF, RUB, JPY, AUD, CAD, CNY, SEK, NOK, DKK, RON, TRY; the List of Available Currencies may be changed by SABF; the current list is available on the Website (in the section For Clients / Banking Connection) or on the telephone lines listed on the Website in the section Contacts/Dealing).
- **List of Users** – a list specifying the Client and/or persons authorised to act on behalf of the Client in connection with the conclusion of Transactions.
- **Contractual Documentation** – the GTC, Framework Agreement including all annexes or supplements, or the product terms and conditions of the individual products, or any other terms and conditions or documents that are marked as such.
- **Contracting Parties** – SABF and the Client.
- **Beneficial Owner** – any natural person who ultimately owns or controls a legal person or legal arrangement. A corporation is ultimately owned or controlled by any natural person who, directly or indirectly through another person or legal arrangement
 - (a) has a share in the corporation or a share of voting rights of the corporation of more than 25%,
 - (b) has a right to a share of more than 25% of the profits, other own resources or liquidation balance,
 - (c) exercises decisive influence in a corporation or corporations which, individually or collectively, have a share in the corporation of more than 25 %; or
 - (d) exercises decisive influence in the corporation by other means.Decisive influence in a corporation is exercised by a person who, at his own discretion, regardless of the existence or type of the legal basis, can directly or indirectly through another person or legal arrangement achieve that the decision of the supreme body of the corporation corresponds to his will. Decisive influence in a business corporation is exercised by a controlling person as defined by the act regulating business corporations. It is presumed that decisive influence in a corporation is exercised by the person who can appoint or remove a majority of the persons who are members of the statutory body of the corporation. Decisive influence in a corporation other than a business corporation, in a housing or social cooperative or an investment fund in the legal form of a joint stock company with variable share capital shall be deemed to be exercised by any natural person who is a member of its statutory body or a person in an equivalent position or a person representing a legal person in that body. For the purposes of calculating the amount of the indirect share in a corporation,
 - (a) the shares held by the linked persons or legal arrangements in a chain shall be multiplied, and
 - (b) the products of shares from individual chains in a branching shall be added together.For the purposes of determining the beneficial owner of an investment fund in the legal form of a joint stock company with variable share capital, investment shares shall not be taken into account unless the articles of association attach to such shares a voting right equivalent to that attached to founders' shares. An endowed institution, institute, publicly beneficial association or legal arrangement is ultimately owned or controlled by any natural person who exercises a decisive influence over it. Decisive influence in an endowed institution, institute, publicly beneficial association is exercised by a person who, at his own discretion, regardless of the existence or type of legal basis, can directly or indirectly through another person or legal arrangement achieve that the decision of the statutory or other governing body corresponds to his will. Decisive influence over the administration of a legal arrangement is exercised by a person who, at his own discretion, regardless of the existence or type of legal basis, can directly or indirectly through another person or legal arrangement, achieve that the decision of the trustee corresponds to his will. The beneficial owner of an endowed institution is also always any natural person who (a) is its founder, (b) is a member of its administrative or supervisory board or its auditor or a person in an equivalent position, or (c) in whose personal support the purpose of the endowed institution rests according to its founding legal act. It shall always apply that the beneficial owner of an institute or a publicly beneficial association is also any natural person who is (a) its founder or (b) its director or member of its administrative or supervisory board or a person in an equivalent position. The beneficial owner of a legal arrangement shall also always be any natural person who is (a) its founder, (b) its trustee, (c) entitled to supervise the administration of the legal arrangement and who may appoint or remove a trustee or a beneficiary, (d) its beneficiary, or (e) one of the persons in whose main interest the legal arrangement was established or is administered, if the beneficiary does not exist. Where a legal person holds office under the preceding rules, the beneficial owner of the endowed institution, institute, publicly beneficial association or legal arrangement shall be the beneficial owner of the legal person. The following entities do not have the beneficial owner: a) the state and a territorial self-governing unit, a voluntary union of municipalities, a state contributory organization and a contributory organization of a territorial self-governing unit, and b) a Czech legal person established or founded for the purpose of meeting public interest needs which are not of an industrial or commercial nature, if the Czech Republic, a region or a municipality predominantly finances it, exercises decisive influence in it or appoints or dismisses a majority of the persons who are members of its statutory or supervisory body; in the case of a business corporation, it is always required that all shares in it are held directly or indirectly by the Czech Republic, a region or a municipality. Pursuant to the preceding sentence, point (b), the following entities shall be deemed not to have the beneficial owner: a) an educational legal entity established by a state, a territorial self-governing unit or a voluntary union of municipalities, b) public research institution, c) legal entity established by law or an international treaty, d) a state enterprise and national enterprise, e) European grouping for territorial cooperation, f) legal entity in which the Czech Republic, a region or a municipality directly or indirectly own all shares in benefits and voting rights, and g) a publicly beneficial association and an institute, of which the founder is the Czech Republic, region or municipality. Each Senior Managing Official of a corporation shall be deemed to be the beneficial owner thereof (a) if no beneficial owner can be identified even after making all reasonable efforts that can reasonably be required of the registering person, or (b) if decisive influence in the corporation is exercised by a legal entity that does not have a beneficial owner as defined above. Where a corporation is subject to the exercise of decisive influence by a legal person which does not have a beneficial owner and another person is the beneficial owner of the corporation, each Senior Managing Official of the corporation shall also be deemed to be the beneficial owner of the corporation. The beneficial owner of a corporation under the preceding two sentences is the beneficial owner of all corporations in a subordinate structure of relationships in which decisive influence is exercised.
- **Spot** – the current market price of a currency pair.
- **Payment** – non-cash transfer whereby funds are sent at the request of the Client as the payer to a third party as the recipient; Payments are made via a Payment Order.
- **User** – the Client or a person authorised to act on behalf of the Client in connection with the execution of Transactions. However, such persons are not authorised to change, supplement or annul the Contractual Documentation unless empowered to do so on the basis of a special power of attorney granted by the Client.
- **Amount of Initial Collateral** – the result of multiplying the Initial Collateral Rate and the value of the relevant Non-Cash Foreign Currency Forward Transaction at the time of its conclusion.
- **APT** – Act No. 370/2017 Coll., Act on Payment Transactions, as amended.
- **Secured Debts** – debts secured by Collateral, which are specified in greater detail in Art. VI (19).
- **Collateral** – a financial security deposited by the Client to secure the Client's Secured Debts in connection with Non-Cash Foreign Currency Forward Transactions, provided by the Client to SABF in the currency and amount required when concluding a Non-Cash Foreign Currency Forward Transaction or for the duration of the Open Forward Transaction (i.e. until the settlement of the Non-Cash Foreign Currency Forward

- Transaction). This Collateral is financial collateral within the meaning of Act No. 408/2010 Coll., On Financial Collateral, and by providing the Collateral, the ownership right to the Collateral passes to SABF and SABF is entitled to unlimited disposal with the Collateral. Collateral means, depending on the context, Initial Collateral, Supplementary Collateral and/or Total Collateral.
- **Country of Origin** – the country of origin means, for (i) a natural person, each state of which that person is a citizen and, in which they are registered for permanent or other residence, or in which they have resided for at the same time, all other states in which s/he is registered for a stay of more than 1 year or for permanent residence, (ii) a natural person engaged in business, the state referred to in point (i) and, at the same time, the state in which s/he has her/his registered office, (iii) a legal person, the state in which it has a registered office and, at the same time, all the countries in which it has a branch or establishment, (iv) a trust fund, the state under the law of which the trust fund is established and any each state that is the country of origin of its trustee under points i) to iii), of which the trustee or person in a similar position is a citizen or in which the trustee has a registered office, and any other state in which the trustee or person in a similar position is registered for a stay of more than 1 year or for permanent residence.
 - **SABF Special Account** – a SABF account maintained in a given currency to which funds can be sent for the execution of a Transaction and which SABF provides to the Client for this purpose, while the funds are registered in this account in accordance with Section 22 of the APT.

III. Rights and obligations of the Contracting Parties

1. When meeting its obligations in accordance with the Framework Agreement the Client is obliged to provide SABF with all the necessary assistance, particularly to inform and/or supply SABF with all the relevant information and source documentation.
2. The Contracting Parties are obliged to provide one another with all the necessary assistance in fulfilling the purpose and subject of the Framework Agreement. If it proves necessary for the Contracting Parties to enter into any other contractual document in connection with the fulfilment of the purpose and subject of the Framework Agreement, the Contracting Parties are obliged to execute that document without undue delay. Failure to provide assistance on the part of the Client is considered a gross breach of the Framework Agreement, entitling SABF to withdraw from the Framework Agreement.
3. The Client acknowledges that they are entitled to execute Transactions through SABF in accordance with the Contractual Documentation solely as part of their business activities, or in association therewith, and solely on their own account and not on the account of other persons (legal and natural).
4. SABF is entitled to refuse to provide a Payment Service to the Client if:
 - 4.1. SABF and the Client are unable to agree on all the terms governing the provision of the service,
 - 4.2. the Client fails to inform SABF and/or provide SABF with all the information and source documentation needed for the due performance of the requisite Payment Service in a due and timely manner,
 - 4.3. if thus stipulated by the relevant legislation,
 - 4.4. SABF finds or has reasonable suspicion that the Client intends to execute the Transaction outside the scope of their business activities or on the account of another person, or
 - 4.5. it has doubts concerning verification of the Client/User's identity.
5. SABF is not obliged to accept a document whose authenticity, completeness or accuracy is in doubt, and which SABF considers essential for the due performance of the requisite payment service, and in such a case SABF is entitled to request that the Client provide additional information and documentation it deems necessary to prove the authenticity, completeness or accuracy of the information or document in question. SABF is entitled to request verification of the signature of the Client or a person empowered by the Client. In the event of such a request, the Client is required to comply with SABF's request.
6. SABF shall only carry out such payment orders, instructions, and requests of the Client that are complete, correct, precise, comprehensible, and carried out in accordance with the APT, the Framework Agreement, and the GTC.
7. The Client is not entitled to transfer, assign, pledge or otherwise burden any of its rights and/or obligations arising from the Framework Agreement and/or the relevant Transaction to a third party without the prior written consent of SABF. SABF is entitled to assign any of its claims against the Client (or any part thereof) arising from the Framework Agreement and/or the relevant Transaction to a third party provided that SABF informs the Client of such in writing beforehand. Notification of the Client pursuant to the preceding sentence is not necessary in the case of an assignment of such claim (or any part thereof) within the SABF group, i.e., in particular to a person who is a controlling person in relation to SABF, or a person controlled by SABF, or to a person who has the same controlling person as SABF.
8. The Client is obligated to file a complaint about incorrect data stated in any documents received from SABF without undue delay after receiving them, unless indicated otherwise in the Framework Agreement and the GTC. If the Client fails to do so, it is considered that the Client agrees to all the data specified in the given documents.
9. The Client is obliged to make all payments by a non-cash transfer. Cash deposits into SABF accounts held with other financial institutions are prohibited.

IV. Creation and Maintenance of Subaccount

1. SABF automatically opens a Subaccount for the Client upon executing a Framework Agreement. The Subaccount is used to record funds entrusted to SABF.
2. The Subaccounts of individual Clients are managed separately, in one or more currencies stated in the List of Available Currencies.
3. The Subaccounts of individual Clients are identified by the number of the Framework Agreement assigned to the Client by SABF. The Client is obliged to state this identification number whenever sending funds from the Subaccount and when sending funds to the Subaccount.
4. No interest is provided on funds held in the Subaccount.
5. SABF is entitled to deduct and collect money from the Subaccount to cover fees for the services provided in accordance with the Framework Agreement, particularly for Payment Transactions and Non-Cash Foreign Currency Transactions, or for contractual penalties, interest on arrears and any other receivables owed to SABF by the Client in relation to the provision of services to the Client under the Framework Agreement.
6. At the Client's request SABF will inform the Client of the current usable balance in the Subaccount by telephone after verifying the Client's identity in the manner specified in Art. VIII (1.1) of these GTC. At the Client's request SABF will send a current statement of the Subaccount at any time to the Client's e-mail address given in the SABF records or in a printed form to the address given in the SABF records; the price of such sending is given in the current Services Price List.
7. By signing the Framework Agreement, the Client declares that the funds the Client sends to the Subaccount do not come from the proceeds of crime and that the Framework Agreement has not been executed in an effort to legalise such proceeds or to make transactions aimed at supporting or funding terrorism. In the event that there is a reasonable suspicion as to the truth of this declaration, this shall constitute a gross breach of the Framework Agreement by the Client, in which case SABF is entitled to refuse to execute the Payment Transaction or Non-Cash Foreign Currency Transaction and is entitled to withdraw from the Framework Agreement on the grounds of a gross breach of its terms.
8. SABF is entitled to use the funds in the Subaccount to offset any overdue monetary receivables owed to SABF by the Client in relation to the Framework Agreement.
9. If the Client wishes to use his Subaccount (or available funds deposited on it) when settling a Transaction, the Client is obliged to state this information at the latest when concluding the relevant Transaction together with other requisites of the Payment Order for the particular Transaction, while the Client must have available funds on the Subaccount sufficient for the settlement of the particular Transaction; otherwise, it is assumed that the relevant Transaction will be settled without the use of the Client's Sub-Account.

V. Non-Cash Foreign Currency Transactions (spots)

1. SABF will perform Non-Cash Foreign Currency Transactions for the Client in accordance with the Client's instructions and under the terms agreed beforehand.
2. A Non-Cash Foreign Currency Transaction Payment Order contains in particular:
 - 2.1. details of whether the Client is purchasing or selling funds,
 - 2.2. the type of currency and the quantity of funds purchased and/or sold,
 - 2.3. the type of currency in which the Client receives the payment from SABF for the funds sold and/or the type of currency in which the Client pays SABF for the funds purchased.
 - 2.4. The Date of Settlement of the Client's Payment Order; if no Date of Settlement is stated, it is considered that the order is to be executed as soon as possible, although no later than on the working day following the date of Delivery of the Non-Cash Foreign Currency Transaction Payment Order,
 - 2.5. currency conversion exchange rate (following an agreement with a trader of the Dealing department).
3. Immediately upon Delivery of the Non-Cash Foreign Currency Transaction Payment Order, SABF will provide the Client with the following information:
 - 3.1. the amount of the fees for the provision of the service,
 - 3.2. the amount of funds received by the Client from SABF as payment for the funds sold, or the amount of funds paid by the Client to SABF in return for the funds purchased, in the currency specified in Art. V (2.3), and
 - 3.3. the SABF Special Account held in the given currency, to which funds for the Non-Cash Foreign Currency Transaction can be sent, unless the Client has stated that they wish to use their Subaccount for the settlement of the Transaction in accordance with Article IV (9) of the GTC.
4. All the necessary particulars of Non-Cash Foreign Currency Transaction Payment Order will be contained in the separate *Non-Cash Foreign Currency Transaction Payment Order* document prepared by SABF or may be contained in the Confirmation which can replace the separate Non-Cash Foreign Currency Transaction Payment Order document.
5. In the event that the Client and SABF agree to extend the Date of Settlement for the Client's Non-Cash Foreign Currency Transaction Payment Order, the Client also accepts the corresponding extension of all the statutory deadlines for execution of an order (Section 168 to Section 171 of APT), as well as the duty to reimburse SABF for the costs incurred by SABF as a result of the extension of the due date of the Client's Non-Cash Foreign Currency Transaction Payment Order; the amount of these costs will be agreed upon by SABF and the Client when negotiating to extend the Client's Non-Cash Foreign Currency Transaction Payment Order. If the costs specified in the previous sentence are not explicitly agreed in the agreement on the extension of the due date of the Client's Payment Order, SABF will specify the costs the instant the Transaction is settled as the difference in the exchange rate between the due date as originally agreed and the new due date after the extension of the due date in accordance with the Client's instruction.
6. Once the Non-Cash Foreign Currency Transaction Payment Order is delivered, the Client is obliged to send enough funds to cover the Non-Cash Foreign Currency Transaction to the SABF Special Account so that the funds are credited to the SABF Special account no later than by the Date of Settlement for the Non-Cash Foreign Currency Transaction Payment Order. If the Client fails to do so, SABF

- 6.1. is not obligated to execute the Non-Cash Foreign Currency Transaction Payment Order requested by the Client and is exempted from all obligations associated therewith, and
- 6.2. may withdraw from the agreed transaction by telephone or by e-mail and bill the Client for the costs incurred as a result of the failure to execute the submitted Non-Cash Foreign Currency Transaction Payment Order. SABF may also bill the Client for the costs incurred as a result of the failure to execute the submitted Non-Cash Foreign Currency Transaction Payment Order due to the Client's failure to meet the Conditions for Executing a Transaction on the part of the Client.
7. Payments may only be made to the SABF Special Account via a non-cash transfer to that SABF Special Account held by SABF in the appropriate currency.
8. The Client, or the payer of the payment to the SABF Special Account is obliged to mark the payment with an assigned unique identifier. The Client's payment identifier, which is linked to the Non-Cash Foreign Currency Transaction Payment Order submitted by the Client, is the variable symbol of the payment assigned by SABF.

VI. Non-Cash Foreign Currency Forward Transactions (forwards)

1. SABF will perform Non-Cash Foreign Currency Forward Transactions for the Client in accordance with the Client's instructions and under the terms agreed beforehand. Under the ~~SAB Forward~~[Modification+](#), between the time of Delivery of the Payment Order for ~~SAB Forward~~[Modification+](#) and the Latest Settlement Date for ~~SAB Forward~~[Modification+](#), currencies are exchanged, and the funds exchanged are transferred according to the Client's requirements at the agreed exchange rate, up to the cumulative amount of the agreed Forward Frame. Under the SAB TARF product, on each negotiated Expiry Date, the agreed exchange rate is compared to the Spot and a profit, if any, is calculated and gradually accumulated until the Target Profit is reached, and thus the SAB TARF product is settled (terminated). SABF is not obligated to arrange Non-Cash Foreign Currency Forward Transactions for the Client if the Client or the Non-Cash Foreign Currency Forward Transaction does not fulfil the SABF's prudential requirements, in particular as regards the creditworthiness of the Client and risks associated with the specific Non-Cash Foreign Currency Forward Transaction, whereas SABF is not required to inform the Client of the specific reasons for not executing the transaction.
2. Only a Client who is an entrepreneur may conclude Non-Cash Forward Transactions, and only as part of their business activities.
3. A Non-Cash Foreign Currency Forward Transaction may be arranged solely as a payment instrument for the purpose of facilitating and obtaining security regarding the amount of payments for identifiable goods, services, and direct investment. In order to assess the fulfilment of conditions under the previous sentence of this paragraph, the Client is required to submit to SABF the necessary documentation in the form specified by SABF requirements, whereas these documents may include but are not limited to contracts, orders, invoices and delivery notes, etc., evidencing payments for identifiable goods, services or direct investment, the facilitation or security of which is the purpose of the relevant Non-Cash Foreign Currency Forward Transaction. ~~SABF is not obliged to accept invoices that are more than 30 days past due or documents that raise doubts as to whether the Non-Cash Foreign Currency Forward Transaction in question serves to facilitate and achieve certainty regarding the amount of payments for identifiable goods, services, and direct investments.~~ The Client is required to present ~~these required~~ documents to SABF immediately upon receiving instructions from SABF as to what documents are required in the specific case, however no later than by the deadlines stated hereunder in this paragraph. Unless SABF and the Client agree otherwise in the specific instance, the Client is required to present the required documents to SABF under the previous sentence no later than within (i) three business days of the Date of Settlement of the Non-Cash Foreign Currency Forward Transaction in accordance with Art. VI (6) of the GTC in the case of the initial framework verification of the purpose of the relevant Non-Cash Foreign Currency Forward Transaction and (ii) 7 business days prior to the Date of Settlement of the relevant Non-Cash Foreign Currency Forward Transaction in the case of proving the specific purpose of the given Non-Cash Foreign Currency Forward Transaction and (iii) in the case of a ~~SAB Forward~~[Modification+](#) or SAB TARF, no later than the relevant Date of Settlement of each of its partial transaction (evidencing the purpose of the funds exchanged in an amount corresponding to the requested value of the partial transaction). If the Client does not fulfil their obligation under the previous sentence in a due and timely manner and the condition under the first sentence of this paragraph is not met, SABF is entitled to cancel the specific Non-Cash Foreign Currency Forward Transaction by phone or in writing in the form of email no later than by the Date of Settlement. If the Non-Cash Foreign Currency Forward Transaction is cancelled following the procedure under the previous sentence, SABF shall then not be obligated to carry out the Non-Cash Foreign Currency Forward Transaction Payment Order submitted by the Client and is released from all its related obligations and the Client is required to reimburse SABF for any costs SABF has incurred in association with the cancelled Non-Cash Foreign Currency Forward Transaction. SABF is entitled to verify the authenticity of the documents presented by the Client, including any verification with the contractual counterparty of the Client, and the Client is required to provide SABF with all necessary cooperation, including any waiver of confidentiality of the Client's counterparty to SABF. If the Client does not provide the necessary cooperation according to the previous sentence and unless SABF decides otherwise, it shall be assumed that the condition under the first sentence of this paragraph has not been fulfilled.
4. The Contracting Parties hereby agree that SABF may require that the Client provide a Collateral when arranging a Non-Cash Foreign Currency Forward Transaction or during the term of an Open Forward Transaction, and that the Client shall provide such Collateral on the terms and conditions set forth in this Article VI below. Instructions for the deposit of Collateral will be provided in the Certificate of Required Collateral, which the Client will receive when arranging the secured Non-Cash Foreign Currency Forward Transaction, or in the relevant request to deposit Collateral. SABF agrees to pay interest on the Collateral at the interest rate determined by SABF and available on the Website in the section For Clients/Downloadable Documents/Forwards (Pro Klienty/Dokumenty ke stažení/Forwardy). The interest rate is valid for the entire calendar month and SABF is entitled to unilaterally adjust the interest rate of the Collateral on the first day of each calendar month. SABF will send information about the change in the interest rate to the Client's e-mail address specified in the Framework Agreement. If SABF does not communicate the new interest rate to the Client in a given calendar month, the rate that applied in the previous calendar month shall apply. SABF undertakes that the interest rate shall not fall below an amount equal to 7D PRIBOR (or 1W EURIBOR, if the Collateral is denominated in EUR, or SOFR - Secured Overnight Financing Rate, if the Collateral is denominated in USD) minus 1.5% p.a., provided that the interest rate cannot fall below 0% p.a., i.e., the Collateral cannot bear negative interest. If the Collateral is deposited in a currency other than CZK, EUR or USD, the specific terms and conditions of the deposit of the Collateral and its interest rate, if any, will be agreed between SABF and the Client in writing. The interest shall be calculated as a daily interest on the total amount of the Collateral. The amount of the Collateral deposited by the Client may be reduced at the Client's request if SABF, after examining the relevant circumstances, considers that the reduction of the amount of the Collateral is not prevented by any circumstances, in particular the negative revaluation of the concluded Transactions compared to their current market value, the current market conditions in the currency pair to which the Non-Cash Foreign Currency Forward Transaction or Open Forward Transactions relate, or a negative change in the Client's creditworthiness (including consideration of the Client's payment morality with respect to the performance of its obligations under the arranged Transactions). If the conditions set out in the preceding sentence are met and at the same time the Client does not have any other Open Forward Transaction with SABF that would justify the retention of the deposited Collateral in accordance with Article VI (23) below, SABF shall, within three working days of receipt of the Client's written or telephonic request, return to the Client the requested difference (or the difference determined and justified on the basis of the current revaluation of the Client's Open Forward Transactions) between the original and the new amount of the Collateral to the bank account from which the Collateral was deposited or, as agreed by the Contracting Parties, to another bank account.
- If the Client duly and timely fulfils all his obligations related to the Non-Cash Foreign Currency Forward Transaction and if no other procedure is applied pursuant to Article VI (23) below, SABF shall, within three working days after the settlement of the relevant Non-Cash Foreign Currency Forward Transaction, return the deposited unexecuted (unrealised) Collateral agreed in connection with the relevant Non-Cash Foreign Currency Forward Transaction to the bank account from which the Collateral was deposited or, as agreed by the Contracting Parties, to another bank account.
- Interest on the Collateral shall be paid by SABF to the Client in a separate payment after settlement of the last Open Forward Transaction, unless otherwise agreed between SABF and the Client. In the event that the Collateral to the relevant Non-Cash Foreign Currency Forward Transaction has been returned and the interest relating to the Collateral on the debts of that Non-Cash Foreign Currency Forward Transaction has not yet been paid to the Client by SABF, such interest shall become Collateral and shall be added to the principal of any further Collateral deposited, as determined by SABF.
- The SABF reserves the right to unilaterally return the Collateral to the Client, to the Client's bank account from which the Collateral was deposited, or to another bank account as agreed by the Contracting Parties.
5. A Non-Cash Foreign Currency Forward Transaction Payment Order contains in particular:
- 5.1. information that a Non-Cash Foreign Currency Forward Transaction (~~forward~~) is ~~being~~ concluded (~~forward~~), ~~and including information about which category or Modification+ is being concluded if it is a Payment Order for SAB Forward+ or a Payment Order for SAB TARF, information about this fact,~~
- 5.2. details of whether the Client is purchasing or selling funds,
- 5.3. the type of currency and the quantity of funds purchased and/or sold,
- 5.4. the type of currency in which the Client receives the payment from SABF for the funds sold and/or the type of currency in which the Client pays SABF for the funds purchased,
- 5.5. currency conversion exchange rate (following an agreement with a trader of the Dealing department),
- 5.6. unless it is a ~~SAB Forward~~[Modification+](#), the Date of Settlement of the Non-Cash Foreign Currency Forward Transaction Payment Order; separately in relation to each Non-Cash Foreign Currency Forward Transaction (or each partial transaction), if more than one such Non-Cash Foreign Currency Forward Transaction is concluded with the Client at one time,
- 5.7. Early Settlement Date, if one has been arranged in the specific instance,
- 5.8. Time Limit for Early Settlement, if any is arranged in the specific instance,
- 5.9. the amount and type of currency of the Forward Frame if it is a Payment Order for a ~~SAB Forward~~[Modification+](#),
- 5.10. the Latest Settlement Date for ~~SAB Forward~~[Modification+](#) if it is a Payment Order for a ~~SAB Forward~~[Modification+](#),
- 5.11. the Target Profit and Expiry Dates if a SAB TARF is being negotiated
- 5.12. ~~the lower and upper exchange rates, in the case of SAB RISK REVERSAL,~~
- 5.13. ~~leverage, in the case of forward contracts provided with leverage.~~
6. Immediately upon delivery of the Non-Cash Foreign Currency Forward Transaction Payment Order, SABF will provide the Client with the following information:
- 6.1. the amount of fees for the provision of the service,

- 6.2. the amount of funds received by the Client from SABF as payment for the funds sold, or the amount of funds paid by the Client to SABF in return for the funds purchased, in the currency specified in Art. VI (5.3) above,
- 6.3. the SABF Special Account held in the given currency, to which funds for the Non-Cash Foreign Currency Forward Transaction can be sent, unless the Client has stated that it wishes to use their Subaccount for the settlement of the Transaction in accordance with Article IV (9) below;
- 6.4. the amount of the Collateral required from the Client in relation to the concluded Non-Cash Foreign Currency Forward Transaction.
7. If a Collateral was requested as part of the negotiation of a Non-Cash Foreign Currency Forward Transaction and the Client does not provide it according to the dispositions stated in the Certificate of Required Collateral within three days of the negotiation of the Transaction, SABF is entitled to cancel the Non-Cash Foreign Currency Forward Transaction either by telephone or in writing via email. If the Non-Cash Foreign Currency Forward Transaction is cancelled following the procedure under the previous sentence, SABF shall then not be obligated to carry out the Non-Cash Foreign Currency Forward Transaction Payment Order submitted by the Client and is released of all associated obligations associated and the Client is required to reimburse SABF for any costs SABF has incurred in association with the cancelled Non-Cash Foreign Currency Forward Transaction.
8. The Client is obliged to send enough funds in the Available Currency to settle the Non-Cash Foreign Currency Forward Transaction (other than a ~~Modification~~[SAB Forward+](#)) so that the funds are credited to the special SABF account no later than by the agreed Date of Settlement and in the case of a ~~SAB Forward~~[Modification+](#), so that the funds for the partial transactions are credited to this SABF Special Account no later than the Settlement Date for each of such partial transactions and cumulatively in an aggregate amount equal to the agreed value of the Forward Frame no later than the Latest Settlement Date for ~~Modifications~~[SAB Forward+](#). If the Client fails to fulfil this obligation ~~or declares that they will not fulfil it~~, it shall apply that SABF
- 8.1. is not obliged to execute the Non-Cash Foreign Currency Forward Transaction Payment Order and is exempted from all its obligations toward the Client in association with the relevant Non-Cash Foreign Currency Forward Transaction Payment Order, and
- 8.2. is entitled to carry out the necessary operation in order to close a foreign exchange position resulting from the Client's failure to settle the agreed Non-Cash Foreign Currency Forward Transaction ~~or its partial transaction, or for any other Non-Cash Foreign Currency Forward Transaction or their partial transactions already concluded by the Client.~~ The operation is executed at the current market exchange rate ~~(for the purchase/sale of foreign currency, which the Client is obliged to provide on the agreed date (SABF, at its discretion, taking into account the requirement to minimize any losses, may do so either as SPOT or FWD, an option or other investment instrument, from any entity or from its own resources, all at SABF's discretion according to SABF's choice with regard to minimizing potential losses) valid on the day following the Date of Settlement, whereas the decisive moment for determining the market exchange rate for the calculation of a possible SABF loss from an unsettled-In the situation described in the previous sentence, the Client is obliged to compensate SABF for the exchange rate difference, i.e. the difference between the agreed rate according to the Non-Cash Foreign Currency Forward Transaction and the rate achieved by the purchase/sale of foreign currency. When using its own resources, SABF uses the exchange rate of the Czech National Bank on the date of purchase/sale of foreign currency at the current market rate is D + 1 at 2.30 pm, where D equals to the Date of Settlement. The relevant market rate will be the CNB Central exchange rate plus / minus FWD points, increased by the spread of one of the traders used by SABF, for which the SABF will carry out the necessary operation to close the foreign exchange position at the above mentioned decisive moment,~~
- 8.3. may withdraw from the agreed Non-Cash Foreign Currency Forward Transaction by telephone or by e-mail and bill the Client for the costs incurred as a result of the non-execution of the Non-Cash Foreign Currency Forward Transaction Payment Order. SABF may also bill the Client for the costs incurred as a result of the non-execution of the Non-Cash Foreign Currency Forward Transaction Payment Order due to withdrawal of such a Payment Order on the part of the Client.
9. Payments to the SABF Special Account may only be made via a non-cash transfer to that special account held by SABF in the appropriate currency. The Client, or the payer sending the payment to the SABF Special Account is obliged to mark the payment with the unique identifier assigned to it. The Client's payment identifier, which is linked to the Non-Cash Foreign Currency Transaction Payment Order requested by the Client, is the variable symbol of the payment assigned by SABF.
10. If a Time Limit for Early Settlement has been negotiated as part of the specific Non-Cash Foreign Currency Forward Transaction Payment Order, the Client may request that SABF settle the Non-Cash Foreign Currency Forward Transaction before the Date of Settlement within the Time Limit for Early Settlement upon fulfilment of their obligations regarding the relevant Non-Cash Foreign Currency Forward Transaction (including presenting documentation necessary for assessment of fulfilment of the conditions of Article VI r3) sentence one of the GTC) even without being requested to do so by SABF. The Client may request partial settlement of the Non-Cash Foreign Currency Forward Transaction if they have paid in full the fee for provision of services and have fulfilled the obligations regarding the relevant Non-Cash Foreign Currency Forward Transaction in the amount corresponding to the partial settlement including the presentation of documentation necessary for assessment of fulfilment of the conditions of Article VI (3) sentence one of the GTC even without being requested to do so by SABF. The request for an early (partial) settlement is submitted in the same manner as the Transaction itself is negotiated, whereas the Client's request shall include the amount of the requested early settlement, the unique identifier of the Non-Cash Foreign Currency Forward Transaction, and the requested new Date of Settlement within the Time Limit for Early Settlement for the part of the Non-Cash Foreign Currency Forward Transaction for which the early settlement is being requested.
- ~~Unless otherwise agreed by the Contracting Parties in a particular case, in the case of negotiation of a SAB Forward+ with a Latest Settlement Date for SAB Forward+ later than 12 months from the date of Delivery of the Payment Order for a SAB Forward+, the Client is obliged to settle at least (i) 20% of the total value of the Forward Frame no later than 6 months from the date of Delivery of the Payment Order for a SAB Forward+ or (ii) 30% of the total value of the Forward Frame no later than 12 months from the date of Delivery of the Payment Order for a SAB Forward+.~~
11. A Non-Cash Foreign Currency Forward Transaction Payment Order cannot be withdrawn without the written consent of SABF in the form of an email.
12. Except as provided in paragraph 10 of this Article, the Client may change once placed and accepted Non-Cash Foreign Currency Forward Transaction Payment Order solely with the consent of SABF, in which case the Client is required to pay a fee for the change to be negotiated at the time of the change.
13. SABF is entitled to cancel the Non-Cash Foreign Currency Forward Transaction if (i) the Client has not deposited the Collateral in a due and timely manner at the request of SABF under Art. VI (21) and/or (22) of the GTC, (ii) SABF has realised the Collateral and the Client has not topped up the Collateral according to the instructions included in the notice of realisation of the Collateral in a due and timely manner, (iii) the Client has not fulfilled his obligation under the second subparagraph of Article VI (10), i.e. to settle the required part of the value of the Forward Frame within the time period specified in that subparagraph (unless agreed otherwise with SABF), or (iv) the Client has not fulfilled even a single one of the obligations under Art. VI (15) of the GTC in a due and timely manner, even when provided with an extended time limit of three business days following a notice by SABF. The provisions of (8.1) to (8.3) of this Article VI shall apply mutatis mutandis for such cases of breach of any of the Client's obligations under the immediately preceding sentence.
14. In the event that the Client does not send a payment duly and timely in accordance with Art. VI (8) and (9) of the GTC by the Date of Settlement, or there are not sufficient funds on the Client's Subaccount arranged for settlement in accordance with the Payment Order, SABF may use the Client's funds in a different currency registered in the Client's Subaccounts and execute a currency conversion for this purpose. The exchange rate announced by the CNB on the day preceding the given conversion will be used to convert these currencies with an increase of 0.2 % in the case of converting Czech crowns to a foreign currency and reduced by 0.2 % when converting a foreign currency to Czech crowns. If a currency conversion of two foreign currencies is to be carried out under this paragraph, the conversion shall take place such that one foreign currency will first be converted to Czech crowns and then the Czech crowns will be converted to the second foreign currency. The Client acknowledges and consents to bear the costs associated with such conversion in these cases.
15. Until the Non-Cash Foreign Currency Forward Transaction is settled, the Client is required to submit to SABF:
- 15.1. financial statements (profit and loss statement and balance sheet) for the period from the start of the financial year to the end of the relevant quarter and maturity structure of Client's receivables and payables as of the last day of the given quarter by the 20th day following the end of the calendar quarter;
- 15.2. annual income tax return and financial statements of the Client, always within 7 months of the end of the accounting period to which they apply.
16. ~~In the event that a Non-Cash Foreign Currency Forward Transaction is cancelled or rescinded Beyond the provisions of Article II, paragraph 2.7 of the Framework Agreement, in the event of a breach of the obligations under Art. VI (3), (7), (8), and (13) of the GTC, the SABF shall be entitled, in addition to the right to compensation of costs and damages, to a contractual penalty in the amount of 1% of the amount designated for the Client shall be obliged to pay SABF compensation for damages in addition to reimbursement of costs. In addition to the right to reimbursement of costs and damages, SABF is entitled to cancel or withdraw from the Non-Cash Foreign Currency Forward Transaction. For the avoidance of doubt, in the event of cancellation or withdrawal, regardless of the legal reason, SABF's right to contractual penalties, compensation for damages or any other monetary performance (in particular pursuant to Article VI, paragraph 8.2) shall remain unaffected.~~
17. In the event that a payment for goods, services, or direct investment in respect of which security is achieved by the Non-Cash Foreign Currency Forward Transaction is associated with factoring or a similar service or method of financing, the Client is required to inform SABF of changes to the conditions of such service or financing by the time of settling the Non-Cash Foreign Currency Forward Transaction or at the time it is negotiated.
18. The Client is required to inform SABF without undue delay of a change to business practice regarding the Client's business or business relationship with a third party if security for payments associated therewith is reached by means of a Non-Cash Foreign Currency Forward Transaction by the time of settling the Non-Cash Foreign Currency Forward Transaction or at the time it is negotiated.
19. The Collateral shall secure the following existing or future financial obligations of the Client toward SABF, whether or not due and payable, actual or contingent, arising until the later of (i) the expiry of five years from the time of settlement of all Transactions and (ii) the expiry of five years from the date of termination of the Framework Agreement or its declaration of invalidity by a court or other invalidation, under or in connection with the Framework Agreement and/or the Non-Cash Foreign Currency Forward Transactions, including the following debts:
- 19.1. the Client's debts corresponding to the SABF's claims for sending funds for settlement of a Non-Cash Foreign Currency Forward Transaction;

- 19.2. the Client's debts corresponding to the SABF's claims for payments of charges and fees, in particular fees for provision of services and any other payments made by the Client toward SABF under the Framework Agreement, in particular contractual penalties, costs incurred by SABF in association with cancelled Non-Cash Foreign Currency Transaction and costs incurred by SABF in association with the failure to execute a Non-Cash Foreign Currency Forward Transaction Payment Order;
- 19.3. the Client's debts corresponding to the SABF's claims for payment of all damages incurred due to the breach of obligations by the Client, including any costs SABF has expended or will expend in actions oriented toward satisfying SABF receivables and claims arising from the withdrawal from the Framework Agreement, as well as damages caused in the course of proceedings pursuant to Article VI, paragraph 8.2 as a result of any exchange rate difference;
- 19.4. the Client's debts corresponding to SABF's claims for reimbursement of any performance following the withdrawal from the Framework Agreement or the cancellation or non-execution of a particular Non-Cash Foreign Currency Forward Transaction;
- 19.5. the Client's debts corresponding to SABF's claims for the release of unjust enrichment obtained in connection with the Framework Agreement and/or specific Non-Cash Foreign Currency Forward Transactions, including the return of unjust enrichment obtained without legal justification or by virtue of the Framework Agreement or any legal act entered into between the Client and SABF which is or becomes void or illusory and which relates to or is connected with Non-Cash Foreign Currency Forward Transactions; and/or
- 19.6. any other amounts due under or in connection with the Framework Agreement or any Non-Cash Foreign Currency Forward Transaction.
20. The Client undertakes to maintain the Collateral in the amount stated in the Certificate of Required Collateral increased by the aggregate of all Collateral required under paragraphs 21 and/or 22 of this Article VI until the moment of settling the Non-Cash Foreign Currency Forward Transaction. This does not affect SABF's right to request additional Collateral in accordance with paragraphs 21 and/or 22 of this Article VI.
21. If the Client's creditworthiness has changed since the conclusion of the Transaction, or if the SABF assesses the current market conditions on the market or in the currency pair to which the Non-Cash Foreign Currency Forward Transaction relates to be highly risky, the Client shall be required at the request of SABF to deposit the Collateral in the amount, within the time limit and in accordance with the instructions stated in the request of SABF, even repeatedly. It is agreed that a change in the Client's creditworthiness after the time the Transaction is arranged shall also include a change that occurs as a result of an evaluation of facts that occurred or arose prior to the time the Transaction was arranged, if these were not known to SABF at the time the Transaction was arranged. Collateral pursuant to this paragraph 21 may be required in excess of and/or in lieu of the Collateral required to cover the current potential loss arising from the level of the Non-Cash Foreign Currency Forward Transaction rate pursuant to paragraph 22 of this Article VI and the Client is obliged to deposit such Collateral into a SABF special account notified to the Client by SABF for that purpose, so that the funds are credited to such account no later than 3 working days after the Client is requested to pay them. The period of 3 working days shall run from the date of the call, which may be made by SABF by telephone, e-mail or any other communication channel agreed in the Framework Agreement or the GTC.
22. SABF monitors the potential profit or potential loss from the Non-Cash Foreign Currency Forward Transaction from its point of view and in the event of a negative market development, which occurs if the ratio of the highest foreign exchange market rate announced by the CNB for the last 120 business days for the currency for which the Non-Cash Foreign Currency Forward Transaction is agreed and the lowest rate announced by the CNB for the last 120 business days exceeds the value published on the Website in the section For Clients/Downloads/Forwards (Pro Klienty/Dokumenty ke stažení/Forwardy), is entitled to request the Client to provide the Collateral as follows (so-called Margin Call). This does not affect SABF's right to request Collateral in accordance with paragraph 21 of this Article VI.
- 22.1. If the Client concludes Non-Cash Foreign Currency Forward Transaction with SABF, SABF is entitled to request the Client to transfer funds intended to cover the potential exchange rate loss of SABF as a result of a Client's possible non-settlement of the relevant Transaction in order to cover Open Forward Transactions to the special SABF account communicated to it by SABF for this purpose, as (i) Initial Collateral and / or (ii) Supplementary Collateral.
- 22.2. At the request of SABF, the Client is obliged to provide funds intended as Collateral if the Percentage Coverage for the Calculation of Collateral equals or falls below the Margin Call Threshold Coverage, in such an amount that after the payment of the requested Collateral the Percentage Coverage for the Calculation of Collateral is higher than or equal to the Initial Collateral Rate.
- 22.3. The Client is obliged to transfer the amount of the Collateral to a special SABF account communicated to the Client by SABF for this purpose, so that the funds are credited to such account no later than 3 working days after the Client is requested to pay them. The period of 3 working days runs from the date of the call, which SABF may make by telephone, e-mail or another communication channel agreed in the Framework Agreement or the GTC.
- 22.4. Depending on the development of the market rate of the Open Forward Transaction, SABF is entitled to request the Collateral in the manner described above at any time during the term of an Open Forward Transaction, even repeatedly.
- 22.5. If: (i) the Client fails to deposit the Collateral to the SABF Special Account in the manner and within the period specified in the previous paragraph, and at the same time (ii) the Percentage Coverage for the Calculation of Collateral falls to or below the Margin Cut Threshold Coverage, a material breach of the Framework Agreement by the Client occurs and in such a case SABF is entitled to proceed in accordance with Article VI (8.1) to (8.3) and (16) of the GTC, as if the relevant Non-Cash Foreign Currency Forward Transaction has not been settled by the Client, i.e. in particular SABF is entitled to unilaterally and prematurely terminate the relevant Non-Cash Foreign Currency Forward Transaction to which the obligation to provide Collateral is related, and charge the Client the costs incurred by SABF in connection with the non-settlement of the delivered Payment Order for the Non-Cash Foreign Currency Forward Transaction. At the same time, SABF is entitled to realise the Collateral in accordance with Article VI (24) through (27) of the GTC, i.e. in particular to use the funds deposited by the Client as Total Collateral to repay the incurred loss (in the event that the closing of the Open Forward Transaction according to the previous sentence by the SABF results in a loss). In the event that the Total Collateral deposited by the Client is not sufficient to cover the incurred loss, SABF has the right to demand compensation for losses exceeding the provided Total Collateral and the Client is obliged to reimburse SABF for this loss exceeding the provided Total Collateral within 5 working days following the sending of SABF's request to the Client via e-mail.
- 22.6. If the Client has provided SABF with Collateral and the value of the Percentage Coverage for the calculation of Margin Payback is equal to or higher than the Margin Payback Threshold Coverage, SABF is obliged, at the Client's request, to release part of the Total Collateral held, no later than 3 working days following the Client's request, however (i) only to such amount that, after its release, the value of the Percentage Coverage for the calculation of the Collateral is higher or equal to half (50%) of the Initial Collateral Rate, and at the same time (ii) the value of the Total Collateral is not lower than the Amount of the Initial Collateral, and at the same time (iii) the value of the portion of the Total Collateral to be returned to the Client may not be less than the last Collateral provided by the Client in compliance with conditions (i) and (ii) above. In the event that the conditions for Margin Payback are not met during the duration of the Open Forward Transaction, SABF is entitled to block the Total Collateral until the settlement of the relevant Open Forward Transaction in accordance with the principles specified in the GTC. After the due settlement of the relevant Open Forward Transaction, SABF is obliged, at the Client's request, to release all funds held as Collateral, under the conditions and in accordance with Article VI (23) GTC; SABF's right pursuant to Article VI (25) of the GTC is not affected.
23. In the event that the Client fulfils all their obligations associated with the Non-Cash Foreign Currency Forward Transaction in a due and timely manner, SABF shall return any unrealised Collateral negotiated in association with the respective Non-Cash Foreign Currency Forward Transaction within three business days to the Subaccount of the Client or the bank account from which the Collateral was sent, or to the account specified in the Framework Agreement or assigned to the Client in accordance with the Framework Agreement unless SABF and the Client agree on another account. Instead of returning the Collateral, SABF is also entitled to unilaterally offset the Collateral against payable Secured debts or, if the Client has Open Forward Transactions with SABF, to retain the Collateral for the purposes of hedging these Open Forward Transactions. Upon agreement with the Client, SABF is entitled to retain the Collateral for the purposes of fulfilling the conditions for providing Collateral when negotiating another Non-Cash Foreign Currency Forward Transaction in future, and until such a transaction is negotiated, the Client is entitled to request the return of the retained Collateral to the bank account or Subaccount of its choice, unless the Collateral has been transferred to hedge another Open Forward Transaction pursuant to the preceding sentence. SABF shall inform the Client of their agreement to retain the Collateral for the purposes of securing other Non-Cash Foreign Currency Forward Transaction in written form via email.
24. SABF is entitled to realise the Collateral in the event of gross breach of the Framework Agreement by the Client or if any of the following events takes place:
- 24.1. The Client is in arrears with payment of any debt arising from the Framework Agreement associated with a Non-Cash Foreign Currency Forward Transaction for a period longer than 5 business days;
- 24.2. The Client fails to observe or perform in a due and timely manner or otherwise breaches any obligation under the Framework Agreement other than those stated in the previous sub paragraph 24.1 and fails to perform such obligation even within the additional time limit of three business days following notification by SABF;
- 24.3. the Client's assets are subject to a liquidation decision or execution;
- 24.4. the Client enters bankruptcy or is at risk of bankruptcy; a moratorium is declared in relation to the Client, a petition for insolvency is submitted, or a bankruptcy decision is reached;
- 24.5. a decision is reached on the bankruptcy of an entity controlled by the Client or that controls the Client;
- 24.6. a decision is made to liquidate the Client or actions directed toward the liquidation of the Client have been initiated;
- 24.7. the condition stipulated by Art. VI (3) of the GTC has not been met or the Client has not demonstrated fulfilment of the condition within the timeframe stated in the referenced provision;
- 24.8. the Non-Cash Foreign Currency Forward Transaction was cancelled or rescinded following the process under Art. III (3), (7), (8), or (13) of the GTC;
- 24.8-24.9. The Client declares that they will not fulfil their agreed obligations;

24.9-24.10. The Client and SABF have entered into an agreement to terminate the Framework Agreement, unless they have arranged otherwise in this agreement.

25. SABF shall inform the Client of the commencement of the realisation of the Collateral and the amount of the Secured Debts being satisfied by written notice via e-mail. SABF shall be satisfied from the Collateral by offsetting the value of the Collateral against the value of the Secured Debts payable. SABF shall be entitled to use the Collateral to satisfy the Secured Debts payable in the order decided by SABF when realising the Collateral pursuant to the preceding sentence.
26. If the Collateral is insufficient to satisfy the Secured Debts payable, the Client is obliged to satisfy the Secured Debts within 5 business days from the date of SABF's request to do so by e-mail.
27. If any part of the Collateral remains after the realisation of the Collateral, SABF is entitled to retain that part of the Collateral and use it to pay the Secured Debts payable in future. The fee for retaining the Collateral is (i) in the amount of the Collateral provided (the retained part thereof), if the currency of the Collateral and the Secured Debt are the same, or, if the currency of the Collateral and the Secured Debt is different (ii) in the amount of the Collateral provided (the retained part thereof) converted to the currency of the Secured Debt at the exchange rate declared by the Czech National Bank on the day prior to the realisation of the Collateral, increased by 0.2 % in the event of conversion from Czech crowns to foreign currency and reduced by 0.2 % in the case of conversion of foreign currency to Czech crowns. If a currency conversion of two foreign currencies is to be carried out under this paragraph, the conversion shall take place such that one foreign currency will first be converted to Czech crowns and then the Czech crowns will be converted to the second foreign currency.
28. Along with the Confirmation, SABF shall also send the Client a Certificate of Required Collateral and a Certificate of Identification of Goods, Services, or Direct Investment in written form via email, whereas all of these documents together contain the terms and conditions of the Non-Cash Foreign Currency Forward Transaction; the Certificate of Required Collateral and the Certificate of Identification of Goods, Services, or Direct Investment may be contained in a single document. If the Framework Agreement or the GTC require that the Confirmation be signed and returned to SABF, the Client shall also send the signed Certificate of Required Collateral and a Certificate of Identification of Goods, Services, or Direct Investment to SABF.
29. In the event that negotiations over a Non-Cash Foreign Currency Forward Transaction also include Time Limits for Early Settlement, the Time Limits for Early Settlement and the Date of Early Settlement are stated in the Confirmation.
30. For the purpose of assessing the Client's creditworthiness, the Client is required to submit to SABF, no later than at the time of arranging the Non-Cash Foreign Currency Forward Transaction, financial statements for the last two financial years and the current financial statements (profit and loss statement and balance sheet) for the period from the beginning of the financial year until the end of the previous quarter, as well as maturity structure of Client's receivables and payables as of the last day of the previous quarter, unless these are not required or unless SABF and the Client agree otherwise.
31. In the event of termination of the Framework Agreement pursuant to Art. IV (4.3) of the Framework Agreement, unless the Contracting Parties agree otherwise, the already negotiated Non-Cash Foreign Currency Forward Transactions shall be settled on the Date of Settlement agreed at the time of their conclusion, and the Framework Agreement will end only after the respective Non-Cash Foreign Currency Forward Transactions have been settled, cancelled, or rescinded, and all associated debts have been paid.
32. The risks associated with entering into Non-Cash Foreign Currency Forward Transactions and case studies relating to Non-Cash Foreign Currency Forward Transactions are available on the Website. The Client acknowledges that SABF may enter into mirror Non-Cash Foreign Currency Forward Transactions with another entity.

VII. Payment Transactions

1. SABF performs **Payment Transactions on the basis of Payment Orders for Payment or Payment Orders for Direct Debit**. SABF particularly performs Payment Transactions associated with Currency Conversion.
- 1.1. Sending payment on the part of SABF – **Payment**
- 1.1.1. A Payment Order for Payment contains in particular:
- the identification details of the Client, as the payer,
 - the type and quantity of Sent Currency,
 - unique identifier (account number) of the beneficiary, including identification data of the beneficiary's bank,
 - the type of Available Currency entrusted by the Client to SABF for the purposes of its Payment Order (if the Available Currency and Sent Currency differ),
 - the Date of Settlement of the Client's Payment Order for Payment; if no due date is stated, it is considered that the order is to be executed as soon as possible, although no later than on the working day following the date on which the Payment Order was received,
 - the exchange rate used to convert the Available Currency to the Sent Currency (if the Available Currency and Sent Currency differ),
 - the amount of Available Currency paid by the Client to SABF for the purposes of its Payment Order,
 - reason for payment (if required by SABF in this case).
- 1.1.2. Immediately upon delivery of the Payment Order for Payment, SABF will provide the Client with the following information:
- 1.1.2.1. the amount of fees for the provision of the service;
- 1.1.2.2. a SABF Special Account for sending funds for the purpose of executing a Payment Order for Payment, unless the Client has informed SABF that they wish to use their Subaccount for the settlement of the Transaction in accordance with Article IV (9) of the GTC.
- 1.1.3. A specimen of the written Payment Order for Payment is available on the SABF's Website.
- 1.1.4. The Client is obliged to send enough funds in the Available Currency to cover the Payment Transaction (Payment) to the SABF Special Account so that the funds are credited to the SABF Special Account no later than by the Date of Settlement of the Payment specified in the Payment Order for Payment. If the Client fails to do so, SABF
- cannot execute the Payment Order requested by the Client and is exempted from all its obligations accepted when receiving the Payment Order, and
 - may withdraw from the agreed transaction by telephone or by e-mail and bill the Client for the costs incurred as a result of the non-execution of the Payment Order. SABF may also bill the Client for the costs incurred as a result of the non-execution of the Payment Order due to the Payment Order failing to meet the Conditions for Executing a Transaction on the part of the Client.
- 1.1.5. In the event that the Client and SABF agree to extend the due date for the Client's Payment Order for Payment, the Client also accepts the corresponding extension of all the statutory deadlines for making an order (Section 168 to Section 171 of APT), as well as the duty to reimburse SABF for the costs incurred by SABF as a result of the extension of the due date of the Client's Payment Order for Payment; the amount of these costs will be agreed by SABF and the Client when arranging to extend the Client's Payment Order for Payment. If the costs specified in the previous sentence are not explicitly agreed in the agreement on the extension of the due date of the Client's Payment Order for Payment, SABF will specify the costs the instant the Transaction is settled, as the difference in the exchange rate between the due date as originally agreed and the new due date after the extension of the due date in accordance with the Client's instruction.
- 1.2. Receipt of payments by SABF – **Direct Debit**
- 1.2.1. By signing the Framework Agreement SABF and the Client have agreed that SABF will receive funds from the incoming payment transaction for the Client, on the basis of the Payment Order for Direct Debit (Direct Debit Notification); the Payment Order for Direct Debit particularly contains:
- the identification details of the Client,
 - the anticipated payment receipt date,
 - the type of currency of the incoming payment,
 - the identification details of the payer's bank,
 - the payment title/reason for the payment,
- 1.2.2. Immediately after delivery of the Payment Order for Direct Debit (Direct Debit Notification), SABF will provide the Client with the following information:
- 1.2.2.1. the amount of fees for the provision of the service,
- 1.2.2.2. a SABF Special Account for sending funds for the purpose of the execution of the Payment Order for Direct Debit (Direct Debit Notification).
- 1.2.3. A specimen of the written Payment Order for Direct Debit (Direct Debit Notification) is available on the Website.
- 1.2.4. In the event that, after funds from an incoming payment transaction (Direct Debit) have been paid to the SABF Special Account, SABF is unable to properly identify the Payment Transaction, e.g. due to inadequate details given by the payer, SABF will request that the Client provide additional identification details. In the event that the Payment Transaction cannot be sufficiently identified even after such provision of additional identification details, SABF shall send the relevant funds back to the payer from the account from which they were received without undue delay, but no later than within 15 days of receipt of such funds.
- 1.2.5. The Direct Debit fee charged to the Client will be increased by any bank fees charged to the payer by the bank as well as by any bank fees associated with the incoming payment transaction to the SABF Special Account and any fees associated with crediting the sum to the Client's Subaccount.
- 1.3. Payments to the SABF Special Account may only be made via non-cash transfer to the SABF Special Account held by SABF in the appropriate currency.
- 1.4. SABF shall publish on the Website a list of the SABF Special Accounts in available currencies to which funds can be sent for Payment or Direct Debit.
- 1.5. The Client, or the payer sending the payment to the SABF Special Account is obliged to mark the payment with the unique identifier assigned to it. The Client's payment identifier, which is linked to the Payment Order for Payment or Payment Order for Direct Debit (Direct Debit Notification) requested by the Client, is the variable symbol of the payment assigned by SABF.
2. **Payment Transaction with Currency Conversion**
- 2.1. If the Client's Payment Order for Payment or Payment Order for Direct Debit includes Currency Conversion from the Available Currency to the Sent Currency for the recipient, the Client is obliged to send the funds (or obliged to arrange for a third party to send the funds) to the SABF Special Account in the Available Currency to settle the Payment Transaction (Payment or Direct Debit) with

- Currency Conversion so that those funds are credited to that SABF Special Account by the Payment due date specified in the Payment Order. If the Client fails to do so, SABF
- 2.1.1. is not obliged to execute the Payment Order requested by the Client and is exempted from all its associated obligations, and
 - 2.1.2. may withdraw from the agreed transaction by telephone or by e-mail and bill the Client for the costs incurred as a result of the non-execution of the Payment Order with Currency Conversion. SABF may also bill the Client for the costs incurred as a result of the non-execution of the Payment Order with Currency Conversion due to the Payment Order failing to meet the Conditions for Executing a Transaction on the part of the Client.
- 2.2. In the event that the Client and SABF agree to extend the Date of Settlement of the Client's Payment Order for Payment with Currency Conversion, the Client also accepts the corresponding extension of all the statutory deadlines for making an order (Section 168 to Section 171 of APT) as well as the duty to reimburse SABF for the costs incurred by SABF as a result of the extension of the due date of the Client's Payment Order for Payment; the amount of these costs will be agreed by SABF and the Client when arranging to extend the Client's Payment Order for Payment.

VIII. Negotiating a Transaction

1. A Transaction is negotiated the instant the Client and SABF have approved all the terms of the Transaction, i.e., the particulars required for the Transaction in accordance with Art. VIII (2) below; these terms may be approved in the following ways:
- 1.1. **by telephone** – via one of the dedicated SABF telephone lines, after the identity of the Client/User has been verified in the following manner:
 1. the Client/User makes a telephone call from the telephone number specified in the Framework Agreement to the calling Client/User, and
 2. the calling Client/User states their birth registration number or identity card number or part thereof as requested by SABF, and
 3. by voice recognition of the Client/User against previously acquired voice recordings of the Client/User, and/or
 4. by verifying the identity of the calling Client/User in another suitable manner.
 - 1.2. **In writing** – by submitting details for the Transaction (or any parts thereof) in text form (this form of delivery will be observed even in the case of delivery by e-mail).
 - 1.3. **by telephone with Confirmation** – the terms of the Transaction are negotiated via the dedicated SABF telephone lines, whereupon SABF issues the Confirmation and sends it to the Client/User for confirmation. The Client is obliged to confirm the Confirmation by signing it without undue delay and send it back to SABF by e-mail. These Transactions are considered executed and the terms of the Transaction are considered agreed when the Client/User confirms the Confirmation by signing it and sending it back to SABF by e-mail. In the event that the Client/User fails to return the signed Confirmation, SABF is entitled to claim reimbursement of the costs at the amount specified in these GTC.
 - 1.4. **other manner** – stated in the relevant product terms and conditions.
2. A Transaction can also be negotiated using a combination of the above ways. A Transaction is considered concluded, i.e. executed and binding for both Contracting Parties **at the instant the terms of the Transaction are agreed, i.e. when the information required for the Transaction is submitted to SABF in the manner described in Art. VIII (3) below, provided that both parties have agreed at least the terms prescribed for the Payment Order for that particular type of Transaction pursuant to Art. V (2)** (in the case of Non-Cash Foreign Currency Transaction Payment Order) or **Art. VI (5)** (in the case of Non-Cash Foreign Currency Forward Transaction Payment Order) or **Art. VII (1) point 1.1.1** (in the case of Payment Order for Payment) or **Art. VII (2) point 1.2.1** (in the case of Payment Order for Direct Debit) of the GTC. **In the case of a Non-Cash Foreign Currency Forward Transaction, in addition to the conditions stated in Art. VI (5) of the GTC the Client and SABF must agree to the following conditions:**
- 2.1. identification of the goods, services, or direct investment for which the Client wishes to achieve security with regard to the amount of payment, at least in relation to the type of goods, services, or direct investment, the presumed amount of payment, and the purpose of the transaction,
 - 2.2. the amount and currency of the Collateral, unless SABF has stated while negotiating the Non-Cash Foreign Currency Forward Transaction that no Collateral is required.
3. The terms prescribed for the Transaction are considered agreed upon when the terms are agreed to by SABF via the communication channels specified in Art. VIII (1.1) through (1.4) of these GTC and / or other means of distance communication or their combinations, or with regard to the established business practice of the parties, some of its requirements may be implicit and / or determined by reference to the document that SABF receives from the Client in connection with the relevant Payment Order and from which it is possible to unambiguously determine such requisites (e.g. the beneficiary's account number stated on the invoice delivered to SABF by the Client, on the basis of which the Payment Order is to be executed according to the Client's instruction). After agreeing upon the requisites (terms) of the Transaction pursuant to paragraph 2 above in the manner specified in the previous sentence, the Payment Order for the relevant Transaction shall be deemed to have been delivered, of which SABF shall immediately send the Client a Confirmation in the manner and under the conditions of paragraph 4 below. The absence of an agreement on the Date of Settlement of the relevant Transaction does not obstruct the Delivery of the Payment Order if the presumption of an agreement on the Date of Settlement can be applied in cases presumed by these GTC.
4. **Confirmation as a confirmation of Delivery of the Payment Order for the relevant Transaction, containing the terms of the Transaction, which were agreed within the negotiation of the Transaction in the manner pursuant to Article VIII (2) through (3), as understood by SABF, including the agreed exchange rate and any fees associated with the relevant Payment Order, is executed and sent to the Client in all cases where a Transaction is negotiated, whereas the issuance / non-issuance of the Confirmation by SABF or its confirmation / non-confirmation by the Client does not have any legal consequences, as the terms of the Transaction are agreed and the Transaction is binding for both parties at the moment of concluding the terms of the Transaction pursuant to Article VIII (3) above, however, if the Confirmation is issued by SABF and sent to the Client, the Client undertakes to immediately acquaint itself with its contents and in case of any discrepancy between the information stated in the Confirmation and the Client's Payment Order, immediately contact SABF with a request for correction. If SABF does not receive a notification of an error in the Confirmation from the Client, or if SABF does not identify such an error itself, it will execute the Client's Payment Order based on the information as contained in the Confirmation. If SABF receives a request from the Client to correct the sent Confirmation, or identifies itself an error in the Confirmation, it will immediately compare the information in the Confirmation with its records of the Transaction agreement and will immediately inform the Client of the result of such comparison. If this inspection shows that the Confirmation did not correspond to the content of the record of the Transaction agreement, SABF undertakes to deliver the corrected Confirmation to the Client as soon as possible. For the avoidance of doubt, the Contracting Parties agree that the sending of funds by the Client to the SABF Special Account specified in the Confirmation is considered to be an implied acceptance of the terms of the Transaction specified in the Confirmation; however, this does not apply in the case of concluding a Transaction in accordance with Article VIII (1.3) GTC, when the acceptance of the Confirmation by the Client is necessary for the binding negotiation of the Transaction (and thus also for the Delivery of the Payment Order for the given Transaction). Assuming that the procedure described in Art. VIII (1.1) to (1.4) is not followed, i.e. particularly that the Client/User cannot be identified in the manners described above, particularly due to the fact that incorrect identification details have been given, SABF will inform the Client/User of this fact, will send the Client/User the Confirmation of the negotiated terms of the Transaction and will inform the Client/User that they are obliged to sign the Confirmation without undue delay and send it back to SABF by e-mail. These Transactions are considered concluded and the terms of the Transaction agreed only when the Client/User signs to confirm the Confirmation, sends it back to SABF by e-mail and SABF receives it. In the event that the Client/User fails to return the signed Confirmation, SABF is entitled to claim reimbursement of the costs at the amount specified in these GTC and SABF is also not obliged to execute the Transaction.**
5. In accordance with Section 158 (2) of the APT, the Client and SABF have agreed that the moment of acceptance of the Payment Order is defined as the moment in which the Conditions for Executing the Transaction were fulfilled. Until the moment of proper fulfilment of the Conditions for Executing the Transaction, the Payment Order cannot be carried out by SABF and the Payment Order shall not be considered accepted. If one of the Conditions for Executing Transactions (the crediting of the funds to cover the Payment Transaction or delivery of the Payment Order) is met after the Operating Hours, SABF is considered to have received the Payment Order on the following working day.
6. SABF may only refuse to execute a Transaction after the Delivery of Payment Order in compliance with the relevant provisions of the APT and/or Contractual Documentation and SABF and must notify the Client/User of this fact by sending a message to the registered e-mail address of the Client/User. SABF is also entitled and/or obliged to withhold/defer the execution of a Transaction in cases stipulated by the legislation on measures against legitimisation of proceeds from crime or other applicable legislation. If, based on its expertise and experience, SABF has reason to suspect that, based on the data provided by the Client/User for the execution of a Payment Transaction, the Payment Transaction will not be credited to the payment recipient as expected, SABF is entitled to delay the execution of the Payment Transaction. SABF shall immediately inform the Client of this fact by sending a message to the email address registered by the Client with SABF or in any other provable manner.

IX. Fees, costs

1. The Client undertakes to pay SABF a fee or price for the services provided, in particular for the Transactions, in the amount determined on the basis of an individual agreement with the Client, or stipulated by these GTC and the Services Price List. For the avoidance of doubt, the price conditions set pursuant to an individual agreement with the Client (if concluded) take precedence over the conditions set out in the GTC and the Services Price List.
2. SABF shall be entitled to payment at the moment services are duly rendered, and/or the Transactions are executed, regardless of whether or not the Client thereby earns a profit or other benefit.
3. The Client is aware and explicitly consents to the fact that a fee is charged for all services provided by SABF under the Framework Agreement according to the current Services Price List, which is published on the Website. The Client undertakes to pay all the fees stipulated by the Framework Agreement, these GTC and/or the Services Price List and/or by individual agreement with the Client for the services provided and Transactions executed. SABF may make reasonable changes to the Services Price List. SABF is entitled to propose a change to the Services Price List to the Client particularly for the reasons specified in Art. XIV (2.1) of these GTC. Any change to the Services Price List is made using the procedure and by the deadlines specified in Art. XIV (2) of these GTC.

4. The Client undertakes to reimburse SABF for any costs incurred by SABF in relation to the enforcement and protection of its rights in connection with the Framework Agreement as a result of a breach of the Client's obligations stipulated by the Framework Agreement. In addition to the costs specified in the relevant provisions of these GTC, the Client undertakes to reimburse SABF for all damages incurred by SABF as a result of the breach of the Client's obligations stipulated by the Framework Agreement, comprising actual damages and loss of profit.
5. SABF is entitled to bill the Client for any other expenditure, costs, interest on arrears or contractual penalties incurred by SABF (or claimable by SABF) during the fulfilment of its obligations under the Framework Agreement. SABF's costs are set as a flat-rate sum amounting to 1% of the sum designated for the foreign currency transaction. The costs of SABF include among others fees or similar payments specified by a correspondent bank or other SABF bank during the course of conversion of funds according to the agreed Transaction to the account of the recipient, in particular those incurred due to erroneous or incomplete payment instructions issued by the Client/User. The Client and SABF have hereby explicitly agreed that these fees will be billed to the Client on the basis of an invoice issued by SABF, unless the Framework Agreement specifies a different arrangement for their payment.
6. SABF is entitled to deduct (offset) a sum equivalent to the fee specified in Art. IX (1) of the GTC, the costs, interest on arrears or contractual penalties directly from the Client's Subaccount (if such a Subaccount exists). In the event that the Subaccount is held in a currency other than the currency in which the payment is charged, SABF may deduct (offset) those sums from the Subaccount held in the different currency, converted at the CNB central rate applicable on the date on which the receivables became offsettable. This applies for all types of services and payments arranged between the Client and SABF.
7. In accordance with the provisions of Section 1991 of the Civil Code, SABF is entitled to offset a receivable due for a service provided, and/ or Transactions executed and all other monetary receivables under the Framework Agreement against any of the Client's monetary receivables owed by SABF; this does not affect SABF's rights specified in Art. IV (5), Art. IV (8) and Art. IX (6) of these GTC.
8. SABF and the Client have agreed to preclude the application of Section 1971 of the Civil Code, and that SABF has the right to claim any compensation for damages, regardless of whether it is covered by interest on arrears. SABF also has the right to claim compensation for damages incurred through a breach of obligations for which a contractual penalty is charged.

X. Obligations following Settlement, Information and Notification Duty

1. Immediately after the settlement of the Transaction, no later than by the end of the following working day after the settlement of the Transaction, SABF will send as confirmation of the settlement to the Client's e-mail address the relevant *Certificate of Settlement of Transaction* or *Notification of Foreign Payment* (if the transaction in question is a Payment abroad). SABF is also obliged to e-mail the Client a document summarising the completed Transactions containing confirmation of the settlement of all Transactions negotiated in the given month. SABF may also comply with the obligation stipulated in this article by sending one document containing all the details of Transactions settled in that given month.
2. The Client is obligated to notify SABF of the theft or loss of access rights (profile) enabling the execution of Transactions through SABF or notify SABF of an unauthorised transaction immediately after such an event occurs. This information must be reported by telephoning 267 220 201 or e-mailing reklama@sab.cz. The Client's access rights will be blocked by SABF after this information is received. At the Client's request SABF will send the Client details of how to re-activate its user account.

XI. Protection of Personal Data, Duty of Confidentiality and Timeliness of Data

1. SABF processes personal data to the extent the Client and the User have provided them in the Framework Agreement (full names, addresses, birth registration numbers, etc.) and via other means of communication in relation to the conclusion of Transactions under the Framework Agreement. SABF processes the Client's personal data for the purposes of the Framework Agreement, for keeping records and databases of Clients and in order to meet its statutory obligations (particularly Act No. 253/2008 Coll., on Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism). SABF declares that Client's data will be handled in accordance with regulation of the European Parliament and of the Council (EU) 2016/679 of 27th April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/ES (hereinafter referred to as the "General Data Protection Regulation"). Any natural person, including but not limited to the Client and the User, are data subjects having the protection provided by the General Data Protection Regulation. Personal data will be managed and processed for the duration of the contractual relationship and for a further 10 years after its termination. The Client is aware that in accordance with Act No. 133/2000 Coll., on population records and records of birth registration numbers and on the amendment to certain acts, as amended, SABF is entitled to process birth registration numbers under special legislation. The Client and the User have the right to access their personal data and to understandable and clear information about how SABF uses this information, the right to request clarification, the right to revoke consent to the processing of personal data, the right to erasure of personal data, the right to correction and addition of personal data, the right to portability, the right not to be subject to automated decision-making, the right to restrict processing, or right to file an objection or a complaint to the Office for Personal Data Protection. Further information on the processing of personal data is published on www.sab.cz.
2. The Client and other Users acknowledge that SABF is entitled and also required to provide the personal data of the Client to third parties as part of legal obligations (in particular, yet not exclusively, those associated with measures against money laundering). [The Client and other Users acknowledge that SABF is entitled to transfer the personal data of the Client and Users obtained in connection with the implementation of measures against money laundering, in particular information from the identification and verification of the Client, to other companies of the SABF group on the basis of a legitimate interest as part of the implementation of internal control strategies and procedures to mitigate and effectively manage risks within the companies of the SABF group.](#)
3. A Client – who is a legal entity – declares that its current statement from the Commercial Register hosted at www.justice.cz contains up-to-date information about the Client. If the Client is registered in a public register other than that specified by law, the Client undertakes to provide SABF with an excerpt from that register (no more than 3 months old) prior to the execution of the Framework Agreement. The Client also undertakes to provide proof(s) of identity (e.g. identity card, passport) of the person representing the Client – a legal entity and Users.
4. The Client is aware of the fact that the activities of SABF are subject to oversight by CNB and by governmental authorities, and therefore the Framework Agreement, as well as other documents, information and personal data relating to the Client and to the performance of the Framework Agreement to which SABF has access may be made available to institutions exercising surveillance or oversight over SABF. Such documents, information and personal data may only be disclosed to the extent strictly necessary for the given situation and in accordance with the applicable laws.
5. The Contracting Parties undertake to use all information constituting a Trade Secret and Protected Information of the other Contracting Party that come to their attention in relation to the performance of the Framework Agreement solely for the purposes specified in the Framework Agreement and/or these GTC and in accordance therewith.
6. The Contracting Parties undertake to:
- 6.1. ensure that Protected Information and information constituting a Trade Secret that they receive is protected in a manner usual for the confidentiality of such information. The Contracting Parties are particularly obliged to ensure that no unregistered copies are made of any documents or records they receive,
 - 6.2. ensure that all their employees, representatives and all persons granted access to information constituting a Trade Secret or Protected Information in accordance with the Framework Agreement or these GTC maintain confidentiality in relation to that information and that they maintain the same degree of confidentiality concerning Protected Information and information constituting a Trade Secret as the relevant Contracting Party.
7. Neither of the Contracting Parties is authorised to pass on and/or otherwise grant access to Protected Information and/or information constituting a Trade Secret to any third party, or to use such information for any purpose other than that for which it was provided, unless they do so
- 7.1. with the prior written consent of the other Contracting Party,
 - 7.2. to comply with an obligation imposed by a generally binding law, or
 - 7.3. if explicitly permitted to do so by the Framework Agreement and/or these GTC.
8. The Client acknowledges and agrees that SABF is entitled to disclose information about the Client (including information about the Client's contractual relationship with SABF) to a third party for the purpose of any assignment of the Client's claim and/or for the purpose of other commercially justified acts in the course of its business, provided that such third party shall at all times be bound by confidentiality (contractually or by law) and prohibited from using such information in any way other than in connection with the purpose of the disclosure.
9. The provisions of the Framework Agreement and/or these GTC relating to the protection of Trade Secrets and Protected Information continue to apply after termination of the Framework Agreement. The Contracting Parties are also obliged to maintain confidentiality concerning all Protected Information and information constituting a Trade Secret after termination of the Framework Agreement, until such information becomes publicly available in a manner other than through a breach of the Framework Agreement and/or these GTC, or until the Contracting Party to whom the information relates states that they no longer desire such information to be kept confidential in the manner stipulated in the Framework Agreement and/or these GTC. In cases of doubt, it is considered that the parties desire such information to remain confidential.

XII. Information Stipulated by the APT Prior to the Execution of the Framework Agreement

The Client declares that prior to executing the Framework Agreement and prior to the provision of the Payment Services in accordance with the Framework Agreement they were informed in advance by SABF of all important aspects associated with the provision of these services pursuant to the relevant provisions of the APT, particularly that they were provided with a draft of the Framework Agreement, GTC and Services Price List, including information on the individual SABF products that are listed on the website of SABF and made available to the client for download. The Client declares that before entering into the Framework Agreement they acquainted themselves with the draft of this Framework Agreement, GTC and the Services Price List, they understand and agree to their content, have been provided with detailed information about SABF and the manner in which SABF does business, the provision of the Payment Services in accordance with the Framework Agreement and GTC, and any other information relating to the provision of the Payment Services as stipulated by the APT. The Client declares that they are acquainted with all the information on the SABF website and the information obtained during the execution of the Framework Agreement.

Details of exchange rate used

The exchange rate used for a particular Transaction is agreed on an individual basis when arranging the Transaction by telephone and is subsequently confirmed in the Confirmation.

Form and procedure for withdrawing consent to a payment transaction

In accordance with Section 128 (6) of the APT the Client as an entrepreneur and SABF have agreed on a derogation from Section 160 of the APT and explicitly agree that the Client is not entitled to withdraw a Payment Order after the Delivery of Payment Order. This shall also apply for withdrawing consent with executing a Transaction.

The Client may change a Payment Order after the Delivery of Payment Order only with the consent of SABF, whereas the Client acknowledges liability and consents to reimbursement of the costs of such a change, to be negotiated at the time the change is made.

Deadlines for executing payment transaction

If the Client meets the Conditions for Executing a Transaction, SABF shall ensure the funds are debited from the SABF account and sent to the recipient’s bank account by the deadlines specified below. Deadlines are calculated from the moment of receipt of the Payment Order in accordance with Art. VIII (5) of these GTC.

If the Client specifies an “EXPRESS” payment speed in the Payment Order and meets the Conditions for Executing a Transaction, the funds will be debited from the SABF account in reduced timeframes (generally on the day of the Delivery of Payment Order). The Current Operating Hours for the processing of “EXPRESS” Payment Orders are published on the SABF website (www.sab.cz) or stated to the Client when arranging the terms of the Transaction by telephone.

Note: The Client is charged a fee for “EXPRESS” payments in accordance with the SABF Services Price List.

If the Client meets the Conditions for Executing a Transaction, SABF will send the amount designated for carrying out the Transaction to the recipient bank account by the deadlines specified below:

- a) immediately after the Payment Order is received, in cases of a Transaction
 - a. in CZK through SABF (i.e., the same provider for SABF and the recipient) executed exclusively within the Czech Republic in the event that the transaction does not involve a currency exchange,
- b) no later than by the end of the following working day after acceptance of the Payment Order, in cases of a Transaction
 - a. in CZK through SABF (i.e., the same provider for SABF and the recipient) executed exclusively within the Czech Republic in the event that the transaction involves a currency exchange,
 - b. in CZK involving multiple providers for SABF and the recipient executed exclusively within the Czech Republic in the event that the transaction does not involve a currency exchange,
 - c. in CZK involving multiple providers for SABF and the recipient executed exclusively within the Czech Republic in the event that the transaction involves a currency exchange between CZK and EUR,
 - d. in EUR executed within the Czech Republic or abroad in the event that the transaction does not involve a currency exchange and no paper payment order has been given for that transaction,
 - e. in EUR executed within the Czech Republic or abroad in the event that the transaction involves a currency exchange between EUR and the currency of the European Union Member State in whose territory the currency is exchanged and no paper payment order has been given for that transaction,
- c) no later than by the end of the second working day following receipt of the Payment Order in the case of a Transaction
 - a. in EUR executed within the Czech Republic or abroad, which does not involve a currency exchange and for which a paper payment order has been given,
 - b. in EUR executed within the Czech Republic or abroad, which involves a currency exchange between EUR and the currency of the European Union Member State in whose territory the currency is exchanged and for which a paper payment order has been given,
 - c. in CZK executed exclusively within the Czech Republic, which involves a currency exchange between CZK and a currency other than EUR,
- d) no later than by the end of the fourth working day after acceptance of the Payment Order, in cases of a Transaction
 - a. in EUR executed within the Czech Republic or abroad, which involves a currency exchange between EUR and a currency other than the currency of the European Union Member State in whose territory the currency is exchanged,
 - b. in CZK executed abroad (i.e., not exclusively within the Czech Republic),
 - c. in the currency of another European Union Member State, with the exception of EUR,

i.e. in cases not involving a Transaction in EUR and CZK within the Czech Republic or a Transaction with a currency exchange where one party to the transaction is in CZK within the Czech Republic, the deadline is set in accordance with the terms of the Transaction agreed in the Framework Agreement; the latest possible deadline is 4 working days from receipt of the Payment Order.

Communication Channels and Method Used to Provide Information:

Communication between the Client and SABF when negotiating the terms of Transactions and executing Transactions is via telephone, in Czech or English. Documents relating to a Transaction (such as Confirmation, Certificate of Settlement of Transaction, etc.) are sent by e-mail. In association therewith, SABF informs the Client that it is a technical requirement for the Client to ensure access to: (i) a telephone line, (ii) internet service, and (iii) email, whereas the Client explicitly confirms that they have secured access to the above services.

Information about the provision of payment services is published on the SABF website. The Client has the right to receive information and the contractual terms of the Framework Agreement on Payment Services, in accordance with the APT, upon request. For the duration of the Framework Agreement SABF is obliged to provide the Client with the content of this Framework Agreement and other information upon request pursuant to the APT.

Claims

Claims are settled by SABF in accordance with the Claims Policy, which is published on the SABF website in the Documents section.

If a claim filed by the Client with SABF is unsuccessful, the Client may refer the claim or complaint to the Financial Arbitration Office, address: Legerova 69, Prague 1, Postal Code 110 00 (www.finarbitr.cz) or to the competent court. The Client may also file a complaint with CNB (www.cnb.cz).

Information on incorrectly executed and unauthorized Transactions

Collective provisions on the manner and time limit for reporting and liability for unauthorized or incorrectly executed Transactions:

- a) for SABF a Transaction is considered **incorrectly** executed if it has not been carried out on the part of SABF in a proper and timely manner in accordance with the Payment Order of the Client given in the manner accepted under the Contractual Documentation.

The transaction on the part of SABF has been carried out **correctly** in relation to the person of the recipient if it has been correctly recorded and booked by SABF in accordance with the unique identifier of the recipient provided by the Client (this is comprised of the account number of the recipient and the code of their bank), that is even if the Client as the payer submitted to SABF other data about the recipient, whereas its execution was not influenced by a technical outage or other defect on the part of SABF.

- b) for SABF a Transaction is considered **authorized** if the following three prerequisites are met concurrently:
 - 1. it represents an expression of the will of the payer by which the payer expresses consent with carrying out the Transaction (this is captured in the Communication with the Client);
 - 2. that consent must be granted prior to executing the Transaction (i.e. usually at the moment of binding agreement to the conditions of the Transaction in accordance with the Contractual Documentation);
 - 3. upon granting consent, the process specified in the Contractual Documentation and the form for executing Transactions must be upheld.

Lack of any of the above stated prerequisites shall have the consequence that the Transaction must be considered **unauthorized**. However, the consent of a person who is authorized to act on behalf of the Client on the basis of representation, i.e. the consent of a person who the Client as the payer has granted authorization to carry out individual Transactions on behalf of the Client shall also be considered the consent of the payer (i. e. the person/s currently appointed by the Client in the Contractual Documentation to conclude Transactions).

If the Client claims that they did not authorize the Transaction or that the Transaction was executed incorrectly, SABF shall prove to such Client that this Transaction was verified, properly recorded, and executed (i.e. in particular that the amount of the alleged incorrectly executed Transaction was duly and timely credited to the account of the provider of Payment Services of the recipient of the payment in accordance with the properly authorized Payment Order of the Client), otherwise the Transaction shall be deemed unauthorized or incorrectly executed and SABF is required to remedy such incorrectly executed Transaction for the Client in the manner stated below.

As part of information following the execution of a Transaction, the Client is sent a Certificate of Settlement of Transaction to the above email address. **The Client is required to become acquainted with information about the execution of a Transaction immediately after SABF makes it available to them, and in the event that any discrepancy is discovered or it is suspected that a Transaction was not executed correctly or was not properly authorized on their part, the Client shall immediately notify such discovery to SABF** (hereinafter “**Notice**”). The Client is required to carry out the Notice via the communications channels designated by SABF for receipt of claims in the Claims Policy of SABF, namely:

- (i) via email to reklamace@sab.cz; and/or

- (ii) by telephone via recorded phone lines at 267 220 229; and/or

- (iii) in person or in writing at the SABF branch office, Kvítková 4352, 760 01 Zlín or in writing to the headquarters of SABF, Na Příkopě 969/33, Staré Město, 110 00 Prague 1

(hereinafter “**Informational Contacts**”).

Notices are received by SABF via Informational Contacts every business day during Operational Hours.

The Client is enabled to inform SABF in the above manner if the Client is convinced that an unauthorized or incorrectly executed Transaction has been carried out.

The Client shall bear the loss due to unauthorized Transactions as follows:

- (i) only up to the amount of EUR 50 (or the equivalent in foreign currency) if this loss was caused by the use of a lost or stolen means of payment, or the abuse of a means of payment, in the event that the Client did not ensure the security or report the loss of their personalized security elements allowing access and operation of the means of payment. A means of payment is defined in the conditions of SABF as a platform providing access to the online client account, enabling among other functions the concluding of certain online Transactions, if made available to the Client by SABF; the responsibility of the Client under this point shall not apply, however, if the Client has not acted in a fraudulent manner and also:
 - a) the loss, theft, or abuse of the means of payment could not have been determined prior to the execution of the unauthorized Transaction, or
 - b) the loss, theft, or abuse of the means of payment was caused by actions on the part of SABF; or
- (ii) in full if the loss was caused by their fraudulent behaviour or due to having breached intentionally or through gross negligence any of their obligations stated in the Contractual Documentation.

Client liability under para. (i) and/or (ii) above shall not apply if the Client did not act fraudulently and the loss was incurred after the Client submitted Notification in the manner stated above, or if SABF failed to ensure that Informational Contacts were available to the Client. The Client shall also not bear the loss in the event that SABF has breached its obligation to require strong verification of users of payment services, provided that such obligation is imposed by the APT or other legal regulations, and has not claimed any exception to this obligation.

The Client has the right to submit Notification of an unauthorized and/or incorrectly executed Transaction to SABF immediately upon discovering it, **however no later than within 13 months of the date the Transaction was executed**. However, the time limits for notification of an unauthorized or incorrectly executed Transaction shall not begin to lapse in the event that SABF has breached its obligation stated in Sections 142, 143, 146 or 147 of the APT, and unless SABF has at least fulfilled this obligation ex-post. Upon expiration of the relevant time limit, the responsibility of SABF for the unauthorized or incorrectly executed Transaction and the associated obligations of SABF under the APT are waived. SABF is liable to the Client for an incorrectly executed Transaction under Section 183 of the APT. In the event of an incorrectly executed Transaction by a bank with which SABF holds its own payment account, SABF is obligated to request of the bank that executed the incorrectly executed Transaction to carry out a remedial settlement pursuant to Section 20c of the Act No. 21/1991 Coll., Act on Banks, as amended ([hereinafter the "Act on Banks"](#)). SABF does not carry out a payment transaction for the Client in the sense of Section 176 of the APT for which the payment order has been given by the recipient or by the payer via the recipient.

If the Client states an incorrect unique identifier of the recipient, SABF shall exert all effort that can be reasonably expected of them for the funds of the Transaction to be returned to the Client. If requested by the Client in writing, SABF shall report to them all data available and needed by the Client for exercising the right to the return of the funds against the recipient before the court or any other relevant authority.

SABF is not liable to the Client for an unauthorized or incorrectly executed Transaction including any failure to uphold specified time limits for carrying out payment transactions under Art. XII of the GTC if SABF has been prevented from performing the relevant obligations by unforeseen unusual circumstances independent of the will of SABF and whose consequences SABF could not revert. Similarly, if the Client has been prevented from fulfilling the obligation imposed in this document by a circumstance that is unusual, unforeseeable, independent of the will of the Client and whose consequences the Client could not revert, the Client shall not be liable for non-fulfilment of this obligation.

The right of the client arising from an unauthorized or incorrectly executed Transaction does not eliminate the right to compensation for damages or for return of unjust enrichment. However, what may be enforced by the Client from SABF by exercising rights arising from an unauthorized or incorrectly executed Transaction cannot be claimed on any other legal grounds.

Remedy of an unauthorized Transaction:

If SABF is liable for an unauthorized Transaction and SABF and the Client have not agreed to satisfy the Client in any other manner, SABF shall be required in the event that an unauthorized transaction was executed to take the following actions to remedy the unauthorized Transaction immediately, however no later than by the end of the business day following the day the unauthorized Transaction was discovered or reported by the Client through Notification via Informational Contacts:

- (i) to return the Client the amount determined for executing the Transaction, including payments made and interest foregone; or
- (ii) if the Client has a Subaccount and the funds used for the incorrectly executed Transaction were registered to the Subaccount, to return the Subaccount from which the sum intended for execution of the Transaction was debited into the condition in which it would have been if the debit had never been carried out.

The time limit of “*immediately, however no later than by the end of the following business day*” shall not begin to lapse if SABF has a reason to suspect that the Client has acted in a fraudulent manner, if SABF reports this along with a justification in writing to a supervisory authority.

If the loss from the unauthorized Transaction is borne under point no. 1 by the Client, the process described above shall not apply.

Remedy of an incorrectly executed Transaction:

If SABF is liable for an incorrectly executed Transaction and SABF and the Client have not agreed to satisfy the Client in any other manner, it shall be required in the event that the transaction was executed incorrectly on the part of SABF to take the following actions to remedy the incorrectly executed Transaction immediately, however no later than by the end of the business day following the day the incorrectly executed Transaction was discovered by SABF or reported by the Client through Notification via Informational Contacts:

- a) In the event that the Client informs SABF via the Informational Contacts that they **do not insist on executing the Transaction**, SABF is required to:
 - (i) return the Client a sum equal to the corresponding amount used in the incorrectly executed Transaction, including payment of fees and lost interest; or
 - (ii) if the Client has a Subaccount and the funds used for the incorrectly executed Transaction were debited from the Subaccount, to return the Subaccount from which the sum intended for execution of the Transaction was debited into the condition in which it would have been if the debit had never been carried out;

Such a procedure is mandatory for SABF solely in relation to the amount which was not credited to the account of the provider of payment services of the recipient before the Client notified SABF that they do not insist on the execution of the Transaction and under the prerequisite that SABF proves such crediting to SABF.

- b) In the event that the Client **does not inform** SABF via the Informational Contacts that they **do not insist that the Transaction be executed**, SABF is obligated to immediately ensure the crediting of the amount of the incorrectly executed Transaction to the account of the provider of the recipient in accordance with the Payment Order of the Client and also:

- (i) return any incorrectly paid fees and lost interest to the Client; or
- (ii) if the Client has a Subaccount and the funds used for the incorrectly executed Transaction were registered on the Subaccount, to return the Subaccount from which the sum intended for execution of the Transaction was debited into the condition in which it would have been if SABF had executed the Transaction correctly.

Termination and Amendment of the Framework Agreement on Payment Services

The Framework Agreement on Payment Services has been entered into for an indefinite period. Either SABF or the Client may withdraw from the Framework Agreement under the terms specified in the Framework Agreement. The procedures for making changes to the GTC and Services Price List are described in these GTC, esp. in Art. XIV (2) below.

Guarantee Fund
[SABF holds its Clients' funds in accounts with cooperating banks as so-called special regime deposits pursuant to Section 41f of the Act on Banks. Compensation for the claim on the special regime deposit is granted to Clients in the same amount as it would be granted if each Client had funds registered in their own account. The conditions for deposit insurance, including the method of payment of compensation and other conditions, shall be stated in the relevant legislation, in particular the Act on Banks. SABF shall provide](#)

the Client, at his request, with information on the bank with which the separate account is kept in which the funds entrusted to SABF for the payment transaction are deposited.

XIII. Liability, Declarations and Other Information

1. SABF is not liable for damage incurred by the Client or other persons as a result of the Client's breach of the obligations stipulated by the Framework Agreement, these GTC and/or the law or for any other reason, through the fault of another person, due to impediments arising in the Client's staffing or arising when the Client was in arrears with meeting its obligations, or due to impediments the Client was obliged to overcome in accordance with the Framework Agreement, or due to circumstances beyond the control of SABF.
2. SABF is not liable for damage incurred by the Client or other persons due to (a) the reasons specified in these GTC, (b) incorrect, incomplete or inaccurate information in a Payment Order, (c) incorrect information communicated by the Client to SABF, (d) an authorised User acting in violation of the instructions (interests) of the Client, the Framework Agreement, GTC and/or the law or other regulations.
3. SABF is not liable for any damage or other detriment potentially incurred by the Client or third parties for any of the following reasons:
 - 3.1. defects or shortcomings in the software (SW), hardware (HW) or systems of the Client or third parties used by the Client to communicate with SABF,
 - 3.2. the failure, interruption or unavailability of any channel of communication between the Client and SABF for reasons beyond the control of SABF,
 - 3.3. unauthorised access, misuse, loss or manipulation of data during data transfers or other communication on the part of the Client,
 - 3.4. malfunctions caused by viruses on the Client's computers,
 - 3.5. unauthorised third-party tampering with the SW or HW of the Client's systems, or with the transfer of data or other communication between the Client and SABF,
 - 3.6. erroneously entered access passwords (personalised security elements) or their misuse by third parties,
 - 3.7. the non-acceptance or non-execution of a Payment Order or other instruction of the Client/other User for reasons specified in the Framework Agreement or these GTC,
 - 3.8. the inability to execute a Payment Order or other instruction of the Client/other User for reasons beyond the control of SABF.
4. SABF is not liable to the Client for any loss or damage incurred as a consequence of the risks involved in foreign currency transactions, or as a consequence of circumstances over which SABF has no control or influence. At the Client's request, SABF will provide the Client with non-binding information about the state and trend in the market as it appears to SABF; this information is solely of an informative nature. Although SABF takes all the necessary precautions to ensure that the requisite information is accurate, it cannot ensure that information and recommendations reflect the actual situation and trend on the market. SABF is not liable to the Client for any loss or damage incurred by acting on such information and the Client explicitly forfeits any possible claims in relation thereto.
5. If neither SABF nor the Client are able to obtain any information on the relevant financial market concerning the market price of the funds relevant for a given Transaction or if trading is suspended or restricted on the market in question, the terms of the Transaction will not be negotiated until after the situation has been resolved. If it is clear that the situation described above will not be resolved, or will be resolved at a time when the Contracting Parties no longer have interest in completing the Transaction, the Contracting Parties undertake to discuss the circumstances of the Transaction and agree to modify its terms in a manner ensuring that the economic substance of the Transaction remains the same as that defined in the terms before the above situation arose.
6. SABF declares that its employees will not disclose any information about the Client or the Client's transactions to third parties with the exception of cases where this is required by laws that are binding for SABF.
7. Communication between SABF and the Client in connection with the Framework Agreement will be via the channels specified in the Framework Agreement and in these GTC. During all communication the Client is obliged to use the identification details agreed for the given form of communication. The Client is obliged to immediately inform SABF in writing (or in another agreed manner) of any changes in the information relating to the Client provided to SABF by the Client in connection with the Framework Agreement, particularly information relating to Politically Exposed Persons or persons in the ownership and management structure of the Client; this duty also applies to changes in Users' information. Unless agreed otherwise, changes in information become effective for SABF on the following working day after delivery of the notification described in the previous sentence.
8. **By executing the Framework Agreement, the Client allows SABF to automatically record telephone calls between representatives of SABF and the Client using SABF's equipment and to subsequently archive such recordings for the duration stipulated by law and/or for 5 years after the completion of the Transaction;** whichever is longer. The Client also explicitly consents to the fact that in the event of a dispute such recordings may be used as evidence and SABF also undertakes to refrain from using such recordings for any other purpose, unless required to do so by other generally binding legislation or an authorised body. SABF is not obliged to provide the Client with audio recordings of telephone calls with the Client, unless this is necessary to enforce Client's rights or prove compliance with its obligations.
9. The Client is aware that electronic communication, particularly via telephone, electronic mail or the internet, may result in the loss, destruction, incomplete or late delivery, unauthorised acquisition, use or misuse of the data transmitted. SABF and the Client are therefore obliged to act in each case in a manner that minimises these risks as much as possible.
10. SABF and the Client hereby establish a lien on the Client's funds registered on the Subaccount in order to secure the payment of monetary receivables owed to SABF under the Framework Agreement and/or the GTC.

XIV. Joint and Final Provisions

1. By entering into the Framework Agreement, the Client consents to the wording of the GTC. The current version of the GTC is always available on the Website.
2. Changes to the Framework Agreement and/or GTC:
 - 2.1. SABF is entitled to make reasonable changes to the Framework Agreement and/or GTC, particularly (although not exclusively) as a consequence of changes in the law, the introduction of new services, a change in the way services are provided or developments in services provided, developments on the investment and banking services market, including the development of market practice, or developments on markets which influence the provision of services, compliance with SABF's duty of prudence, etc. In such a case SABF will inform the Client of the change to the Framework Agreement and/or the GTC on the Website and will send information about the change and the new wording of the Framework Agreement and/or GTC to the Client's e-mail address, at least 2 (two) months before the change becomes effective. The term change does not include corrections of errors or changes of an administrative or mechanical nature. The Client undertakes to read the new wording of the Framework Agreement and/or GTC.
 - 2.2. Unless the Client notifies SABF in writing of its disagreement with the proposed changes to the Framework Agreement and/or GTC in writing, no later than the day before the proposed changes take effect, the changes are considered binding for the Client from the date on which they become effective.
 - 2.3. If the Client rejects SABF's proposal to change the Framework Agreement and/or GTC, they have the right to withdraw from the Framework Agreement free of charge and with immediate effect before the date on which the change to the Framework Agreement and/or GTC becomes effective; this meets the criteria stipulated by Section 1752 of the Civil Code and § 152 of APT, as amended. For the avoidance of doubt, in the event of termination of the Framework Agreement upon delivery of the Client's rejection of SABF's proposal to amend the Framework Agreement and/or the GTC, such termination shall not affect the individual Transactions already concluded on the basis of the Framework Agreement in accordance with Article 4.3 of the Framework Agreement.
 - 2.4. Notwithstanding the preceding paragraphs 2.1 to 2.3, the Client and SABF agree that if there is a change in the legislation regulating the legal relations between SABF and the Client governed by these GTC and the relevant provisions of the GTC are no longer compatible with the mandatory provisions of the legislation, SABF and the Client shall follow the updated legislation. Amendments to the GTC consisting only in adapting their content to the provisions of the legislation shall not be subject to the procedure set out in paragraphs 2.1 to 2.3 above, nor shall other amendments to the GTC which are merely mechanical or administrative in nature. By accepting these GTC, the Client anticipates and agrees to any changes to the GTC according to the preceding sentence.
 - 2.5. Notwithstanding the provisions of Section 152(1) of the APT, the Client and SABF explicitly agree, in accordance with Section 128 (6) of the APT, that a change may be made to these GTC or the Framework Agreement in the event of mutual interest or on the basis of bilateral written legal arrangements in which both Contracting Parties clearly confirm their intention to be bound by such a new change to the GTC or the Framework Agreement effective as of the date of entering into such bilateral legal arrangements by both parties, unless agreed otherwise.
3. If the GTC are drawn up in a language other than Czech, the Czech version always takes precedence and is used exclusively.
4. If reference is made in these GTC or in other contractual documentation to certain laws or legal regulations, this always means the laws and regulations of Czech law.
5. The provisions of Sections 557, 1799 and 1800 of the Civil Code shall not apply to the obligation created by the Framework Agreement.
6. **These GTC shall take effect on 1 March-December 2025⁴ or on the date of conclusion of the Framework Agreement to which these GTC are attached, whichever is earlier.**